

هنا من الاصل

PEOPLE

laiz' Makes Comeback... Hair' the 1960s counter-culture...

INDY 500 MONDAY SPORTS

No. 32,739 22/88

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

PARIS, MONDAY, MAY 30, 1988

Algeria... Athens... Beirut... Bonn... Buenos Aires...

ESTABLISHED 1887

U.S. Wants to Loft Satellites by Plane

By William J. Broad... NEW YORK — The Pentagon plans to build an experimental rocket that could be launched from an airplane...



On a walk in Moscow, President Reagan and his wife, Nancy, waved at cheering Russians on the Arbat, a historic street. Page 5.

Reagan Opens Moscow Talks, 'Sparks' Fly

By Steven V. Roberts... MOSCOW — President Ronald Reagan set foot on Soviet soil Sunday for the first time, and he soon engaged Mikhail S. Gorbachev, the Soviet leader, in a heated discussion over human rights issues.

Raisa and Nancy Hold Hands

By Felicity Barringer... MOSCOW — When they met beneath the gilded bronze chandeliers in St. George's Hall, they smiled with brittle cordiality.

Arms Experts Meet With Eye on Treaty



By Michael R. Gordon... MOSCOW — U.S. and Soviet arms control officials met Sunday night to try to make headway toward a new strategic arms treaty...

Kiosk

Crisis Warning In Yugoslavia... BELGRADE — The leader of the Communist Party, Bosko Krunic, said Sunday that Yugoslavia's political stability has been shaken...

Shiite Cleric Pledges To Aid Hostage Release

The Associated Press... BEIRUT — An estimated 2,400 Syrian troops patrolled Beirut's southern slums Sunday and a senior Shiite Muslim cleric renewed a pledge to work for the release of foreign hostages believed to be held there.

Natalia Zvereva of the Soviet Union, after she upset Martina Navratilova, 6-3, 7-6, on Sunday at the French Open. Page 13.

10 Years On, Boeing 757 Is Soaring

By Lawrence M. Fisher... SAN FRANCISCO — Ten years after its introduction, Boeing Co.'s 757 jetliner has become the right airplane for the times, filling the airlines' growing need for a larger, quieter and more fuel-efficient aircraft.

Call It a Siberian Symposium, but It's Really a Glasnost Gig

By Mike Zwerin... NOVOSIBIRSK, U.S.S.R. — Earlier this year a letter arrived from a mad Russian of my acquaintance informing me that his plans for a Tashkent jazz festival were now "misty."



Adam B. Ulam, head of the Russian Research Center at Harvard University, discusses the summit meeting.

ON PAGE 5... On the agenda: war, famine and terrorism. Armenians have denounced Yegor K. Ligachev in a public protest in Moscow.

Table with 2 columns: Car Model, Price. Includes Jaguar, Mercedes, etc.

Table with 2 columns: Car Model, Price. Includes Audi, BMW, etc.

Table with 2 columns: Car Model, Price. Includes Volvo, Saab, etc.

10%... WELCOME TO THE NEW HERALD TRIBUNE

RIEFS

Widen Margin... Widen Margin... Widen Margin...

Killed Captives... Killed Captives... Killed Captives...

Assembly... Assembly... Assembly...

ped in Colombia... ped in Colombia... ped in Colombia...

Investigate Allegations... Investigate Allegations... Investigate Allegations...

UPDATE... UPDATE... UPDATE...

Open Rebellion... Open Rebellion... Open Rebellion...

Glasnost... Glasnost... Glasnost...

AMERICAN TOPICS

Service Academies Get More Applicants

Entry applications for the U.S. military, naval and air force academies are at record highs with renewed public acceptance of military service after a long period of disfavor following the Vietnam War.

By comparison, Harvard had 13,654 applications last year for 1,600 places; Stanford 16,138 for 1,575 places and the University of Michigan, 17,474 for 4,600 places.

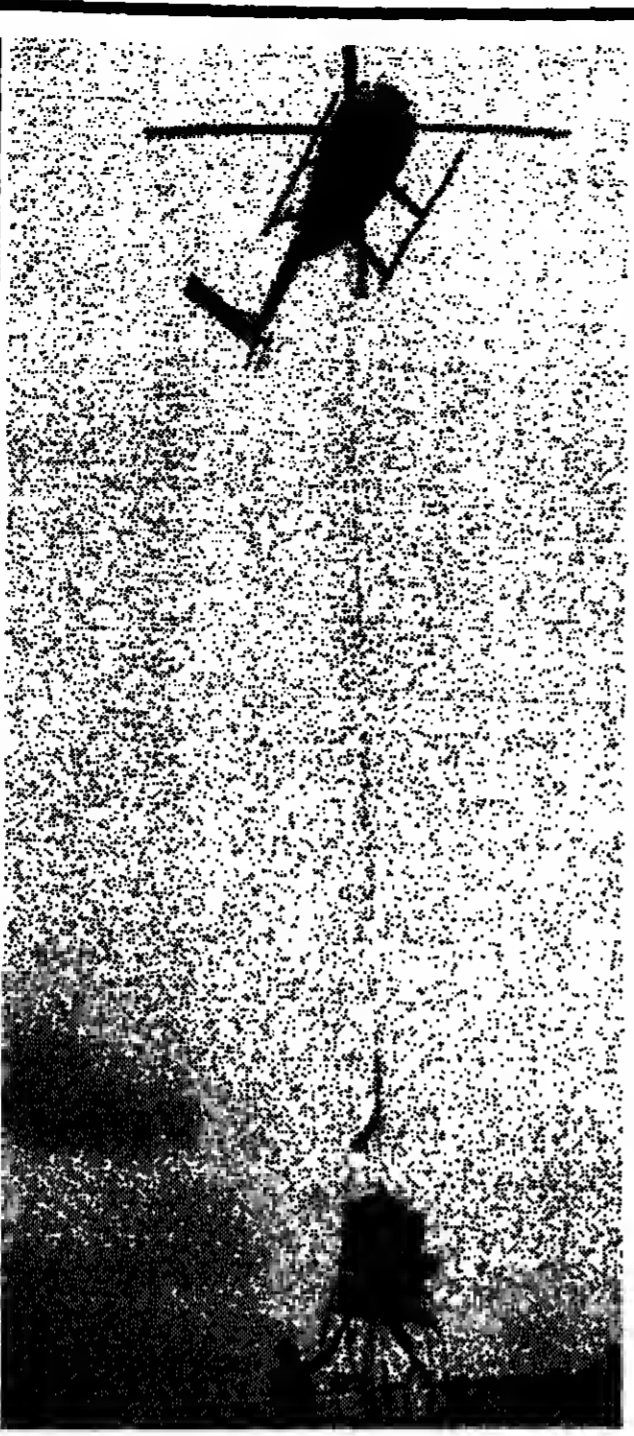
Officers say standards of physical fitness, discipline and leadership have been raised. The lives of cadets and midshipmen are as rigorous as ever, and five years' worth of study are packed into four. Indeed, Karl A. Lamb, academic dean at Annapolis, shook his head over the pressure that fills midshipmen's every minute from 7 A.M. to midnight.

"I'd like to see a little more time for them to reflect," he said. "They're short on sleep time." On the other hand, he added, "They hand in papers on time. And nobody has ever occupied my office in protest."

Notes About People

Bess Myerson, the former Miss America and New York City cultural affairs commissioner, is in trouble again. She already faces a trial this fall on federal fraud and conspiracy charges involving influence peddling in New York.

Had Roach, producer-director of the Laurel and Hardy, Harold Lloyd and Our Gang comedies and a longtime employer of Ronald Reagan, is hale and hearty at 96. He told The Washington Post, "I have one thing to say about the president. Will Rogers made the statement that he'd never met a man he didn't like."



A DYING FALL — A helicopter hoisting a 300-pound upright piano into the air before dropping it from about 100 feet in Santa Rosa, California, on Saturday. The stunt was part of a party that was given to salute the memory of a man who died three years ago and had always longed to hear such a sound.

And I say of Ronald Reagan: He never met a man who didn't like him."

So-called "kiss and tell" books by former insiders at the Reagan White House have usually lost money, the Los Angeles Times reports, in part because of huge advances paid to the authors. David Stockman got \$2.4 million for "The Triumph of Politics," which sold 180,000 copies of a printing of 325,000. Only 35,000 copies of Michael K. Deaver's "Behind the Scenes" were printed, not nearly enough to make back his \$500,000 advance. Larry Speakes got an estimated \$250,000 for "Speaking Out." It had a second printing of about 10,000 copies. "That doesn't suggest too much confidence in the outlook," said Linda Speckman, a wholesale book buyer. The returns are not in yet for Donald T. Regan's "For the Record."

John Doherty, in charge of street cleaning for New York City's sanitation department, liked the Broadway musical "Me and My Girl." But he didn't like the part where the star, Jim Dale, crumples a letter and drops it on the street. He wrote to the producers saying this was a bad example. Now, Mr. Dale tosses the crumpled letter into a trash basket.

Arthur Higbee

In California, Nobody Is Laughing at Dukakis

By Paul Taylor, Washington Post Service

LOS ANGELES — How well are things going for Michael S. Dukakis in California? This well: He is told a rally in Irvine the other night that he would carry Orange County this fall, nobody laughed.

Orange County is among the best-fortified Republican strongholds in the country, so the prediction was roughly on par with Vice President George Bush vowing to carry the District of Columbia. It was offered less literally than figuratively — a metaphor for the anything-is-possible euphoria of a campaign that sees California's 47 electoral college votes, one-sixth of the total needed for victory, tantalizingly within grasp.

The Massachusetts governor's optimism about California is undergirded by leads of 16 and 13 points over Mr. Bush in the two latest Field Institute polls, the biggest bulges any Democratic presidential hopeful has enjoyed in the state in any poll in 17 years, according to state Democratic leaders.

Several factors seem to be at play. Over the past decade, Californians have gone from fretting about too much government to fretting about too much unfettered free enterprise. The enemies in 1988 are traffic gridlock and offshore oil rigs. Bipartisan slow-growth movements have sprouted all over the state, even in Orange County. These quality-of-life issues may not be strictly of a presidential cast, but they provide a more hospitable backdrop for a Democratic candi-

date than the tax revolt environment of a decade ago.

While Mr. Bush and Mr. Dukakis are outsiders to California, Mr. Dukakis's high-technology credentials and his bilingualism appeal to special constituencies in the state. His ethnicity strikes a bond in a way that Mr. Bush's patrician pedigree cannot.

"You're probably never going to catch the Duke playing volleyball on the beach," said Pat Forreza, a campaign spokesman, "but he's still a much better fit for this state than Bush."

Beyond these factors, there is a changing political infrastructure. For decades, California has been known as the place where the 30-second television spot rules it. It is said that the state is too vast for grass-roots political organizing.

This year, Democrats hope to change that. The party and its allies are investing an unprecedented \$6 million to register and turn out voters.

"We are seeing a renaissance of field organization in this state," said Marshall Ganz, a community organizer who has helped set up the Center for Participation in Democracy, a group funded by unions and liberal foundations that will spend \$3 million registering Hispanics, blacks and other low-registration demographic groups.

The Center is technically nonpartisan, but no one doubts which party will benefit most from its labors.

Complimenting this effort is a \$2 million

to \$3 million campaign sponsored by the state Democratic Party aimed at registration and get-out-the-vote programs.

The early returns already show fruits of this activity. New voter registration so far in 1988 has been 128,000 Democratic, 49,900 Republican and 30,800 independent.

It is the first registration period in six years in which Democrats have led Republicans. Overall, Democrats lead Republicans by 50.9 percent to 38.1 percent in registration. In 1972, the margin was considerably wider: 57.2 percent to 36.3 percent.

Cutting against these signs is the fact that Republicans have carried California five consecutive times, and eight of the last nine. With the state's economy booming, leaders of both parties expect a tight race this fall.

New Bush Strategy

Trailing in the polls after two months of cautious campaigning, Mr. Bush is launching a new, more aggressive strategy aimed at Mr. Dukakis. The Washington Post reported from Kamehameha, Maine.

The new strategy is designed to offset what advisers believe was a period of drift in which Mr. Bush was largely on the defensive, responding to events rather than making his own points.

A warrior in this new drive will be Governor John H. Sununu, Republican of New Hampshire, who announced recently he was retiring from the statehouse. Mr. Sununu opened a full-fledged campaign to attack

Mr. Dukakis' record as governor in a speech last week in Nashua, and has continued the theme in meetings with reporters.

A second part of the newly assertive Bush effort is the vice president's call this week for an independent counsel's investigation of Jim Wright, Democrat of Texas and the House speaker, over allegations of impropriety involving a book Mr. Wright published. The demand grew in part out of a meeting between Mr. Bush's advisers and House Republicans earlier in the week. Mr. Bush is using the Wright allegations to offset questions about Attorney General Edwin Meese 3d, whose own legal troubles have become a political handicap for Mr. Bush.

Campaign sources said they expected Treasury Secretary James A. Baker 3d to resign to become campaign chairman this summer. Mr. Bush said he had "no understanding" with Mr. Baker on when he would arrive.

As Mr. Bush has sunk in the polls, some Republicans have speculated that Mr. Baker would play a more active role in the campaign or perhaps resign soon to join Mr. Bush. "The worse the polls, the more the impression of decline, the more frequent the calls to get someone over there," said an administration source.

But campaign officials said they expect Mr. Baker will not leave office until late July or August. So some think if the economy is turbulent or Mr. Bush appears to be doing well, he might not leave at all.

Sandinists Give Way on Contra Bid

By Julia Preston, Washington Post Service

MANAGUA — The Sandinist government, in an effort to keep a two-month-old negotiation going with the U.S.-supported contra rebels, has offered a broad proposal that responds to key contra demands for political reform. Further negotiations will not be held until June 7.

The proposal goes beyond previous offers by the leftist government to carry out changes in its political system.

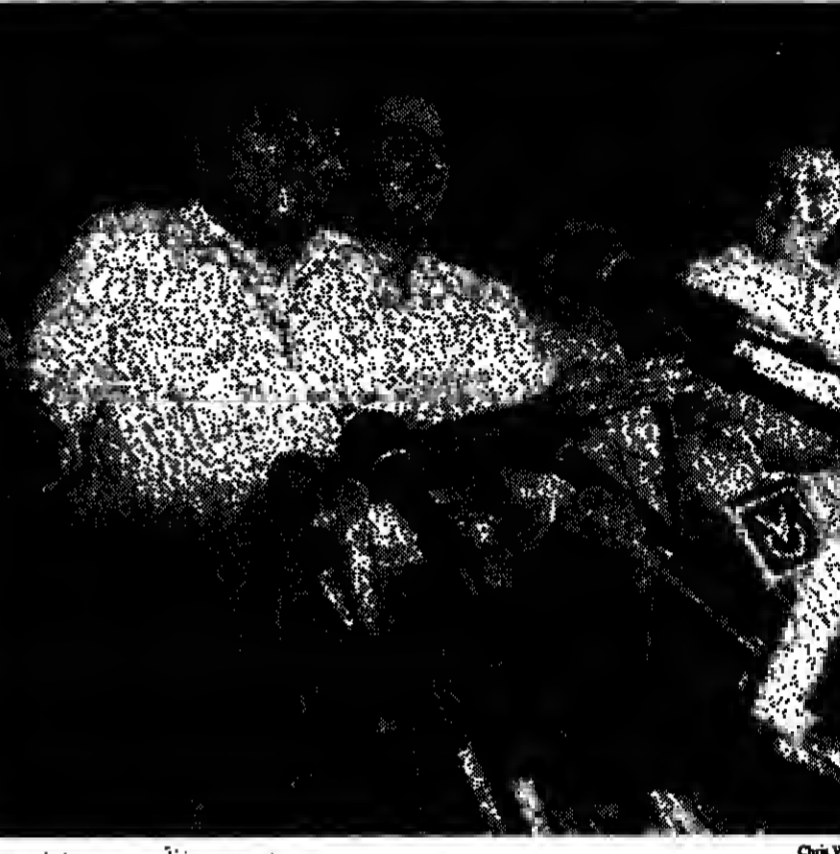
Alfredo Cesar, chief of the contra delegation, called the government proposal "incomplete," but added that it contained "some constructive elements."

However, the leaders of the contra alliance suspended this round of talks as scheduled and left Nicaragua on Saturday, saying they would return to continue June 7 to 9 in Managua. The government accepted these dates. The first round of talks began March 23 in Sapoá, Nicaragua, when the two sides began a 60-day cease-fire. It is due to expire at the end of this month.

"It was neither a failure nor a success," Mr. Cesar said of the negotiations. The third between-level delegations for the two warring sides under the Sapoá pact. But he said the Sandinist proposal "shows the government recognizes that democratic reform is necessary for peace."

General Humberto Ortega Saavedra, the defense minister and chief government negotiator, appeared to feel frustrated that no agreement was reached to put an end to the war. He said the two sides had agreed on 80 percent of a broad agreement, but he called the contras "vacillating and cowardly" for leaving the negotiations.

The new Sandinist document refers to points to be discussed in a



Enrique Bermudez, left, the contra military commander, shrugs in reply to a question in Managua on Saturday on his role as an officer in the National Guard of the former dictator, Anastasio Somoza.

dialogue between the government, the contras and the political opposition parties.

On Thursday the contras proposed a 60-day dialogue to reach measures to separate the state and the army from the governing Sandinist party, to overhaul the court system, to curb the influence of Sandinist mass organizations and to schedule elections for an assembly to write a constitution.

Through its proposal, the government would commit itself to "establish the necessary agreements" in the dialogue "to guarantee or perfect" a range of civil liberties.

The government proposal picks

up verbatim six of the nine demands in the contra proposal.

It rewrites, in more ambiguous language, the contras' requirement for clearer separation between the governing party and the government, and adds a point concerning the protection of private property.

The government proposal makes no mention of elections for a constituent assembly.

Paul Reichler, an American lawyer who is a member of the government negotiating team, said Mr. Cesar assured him Thursday that the contras could drop their insistence on a new constitution.

In an interview, General Ortega blamed the contra military chief, Enrique Bermudez, who is attend-

Jerusalem Is Israel's, Dukakis Says

By Edward Walsh, Washington Post Service

WASHINGTON — Governor Michael S. Dukakis of Massachusetts, who already has substantial support in the Jewish community, has voiced a willingness to reverse more than 20 years of U.S. policy by recognizing Israel's claim to sovereignty over all of Jerusalem.

In an interview with the Los Angeles Times, the front-runner for the Democratic presidential nomination said the status of Jerusalem was not negotiable except in matters dealing with "the rights of religious groups, which are rights that Israel has accepted."

He said: "If Israel wants its capital in Jerusalem, then, as far as I'm concerned, its capital is in Jerusalem. That's their judgment to make."

Asked whether he accepts the legitimacy of Israel's control of Jerusalem, Mr. Dukakis said, "Well, I do."

Since Israel captured control of East Jerusalem from Jordan in 1967, U.S. policy has been that the city should never be divided again but that its future status should be settled in peace negotiations among Israel and its Arab neighbors.

Madeleine Albright, the chief foreign policy adviser to Mr. Dukakis, said she has publicly supported relocation of the U.S. Embassy to Jerusalem for the last 10 years.

Asked how this position was consistent with the assertion by Mr. Dukakis that the United States should not attempt to impose the elements of a Middle East peace solution on the parties directly involved, she said: "He has said he would not impose a solution, but this is resolved. This is de facto. Jerusalem is under the control of Israel and is undivided. He's stating a fact of life."

African Leader Siaka Stevens Dies; Governed Sierra Leone for 17 Years

The Associated Press

FREETOWN, Sierra Leone — Siaka P. Stevens, 82, president of the West African nation of Sierra Leone for 17 years until he retired in 1985, died Sunday, the government announced.

Mr. Stevens, who had been seriously ill for the past month, died at his Juba Hill residence in Freetown, the capital.

Mr. Stevens was president of Sierra Leone from 1971-85. In 1978, he introduced a one-party constitution on the grounds that a multi-party system would undermine unity and division. Mr. Stevens led the ruling All People's Congress and was said to have wielded almost complete control of the government.

He is a former chairman of the Organization of African Unity. Mr. Stevens joined the national police force as a young man after attending Oxford University. He also worked as a railroad and mine worker and a mine union official.

Mr. Stevens served as the mayor of Freetown and was elected prime minister of Sierra Leone in 1967, six years after the nation gained independence from Britain. He was removed during an army revolt that year but, after a second army uprising returned civilian government, Mr. Stevens returned to power in 1968. He became president under a new constitution in 1971.

Hamish Hamilton, 87, British Publisher

LONDON — Hamish Hamilton, 87, for 30 years one of Britain's most eminent publishers, has died here.

He was one of a handful of men who established important publishing houses between the world wars and brought to his list of authors an

exceptionally strong trans-Atlantic flavor that included many of America's leading writers.

"He ran one of the most distinguished houses of his time," said Michael Hessey, a vice president of Harper & Row. In the 1960s he sold his publishing house to the Thomson Organization, which in 1985 sold it to Penguin Books.

Dr. Ana Aslan, 90s, Founded Youth Clinic

PARIS (NYT) — Dr. Ana Aslan, in her early 90s, a controversial gerontologist whose clinic in Romania has attracted thousands of people from around the world in search of renewed youth, died on May 20 in Bucharest. Her death went unnoticed in Romania for nearly a week until publication on Thursday of a small item in a Bucharest newspaper.

An arthritis specialist, she developed a drug named Gerovital H3 and promoted it as an elixir of youth. Detractors asserted that it was simply a solution of procaine, which under the brand name Novocain is widely used by dentists.

Among the famous people who took her treatments, or were widely reported to have done so, were General Charles de Gaulle, Nikita S. Khrushchev, Indira Gandhi, Marshal Tito and Konrad Adenauer, as well as Lillian Gish and Marlene Dietrich.

Sy Oliver, 77, Jazz Arranger

NEW YORK (NYT) — Melvin James (Sy) Oliver, 77, one of America's great jazz composers and arrangers and a man who had a sig-

nificant impact on American popular music, died of cardiovascular complications here Friday.

He had had cancer for a year. As a trumpeter in high school, Mr. Oliver played with CHB Bechet's band and the Duke Ellington band. He joined the Tommy Dorsey Orchestra in 1933, and in six years his composing and arranging made the group one of the most successful big bands of the swing era. He was also one of the main trumpet soloists.

He was hired away in 1939 by the Tommy Dorsey Orchestra, leaving in 1943 to lead a band in the U.S. Army. He returned to the Dorsey band after the war.

Monte Kay, 63, Jazz Promoter

WEST HOLLYWOOD, California (UPI) — Monte Kay, 63, a jazz promoter and record producer, died of a heart attack at a hospital here, where he was undergoing tests, a business associate said Thursday.

In 1949, he was a founder of the Broadway Jazz Club in New York. He married singer-actress Diahann Carroll in 1954.

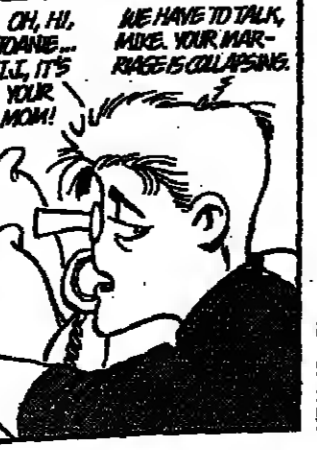
Other deaths

Vice Admiral César Augusto Gazzetti, 62, who was foreign minister under Argentina's last military regime, in Buenos Aires after a long illness.

Monroe D. North, 77, former president of Fruit of the Loom Inc., Tuesday at a nursing home in Florida. (NYT)

Ray Kennedy, 54, a writer for more than 20 years at Time and Sports Illustrated magazines, of a heart attack Thursday in New York. (NYT)

DOONESBURY



Advertisement for Camel cigarettes featuring a man in a suit and a camel. Text includes 'CAMEL Discover the world's most satisfying cigarette.'

Herald Tribune INTERNATIONAL

Published With The New York Times and The Washington Post

Reagan in Moscow

Realism, Not Rabbits

It is tempting to imagine that President Reagan's meeting with Mikhail Gorbachev this week will be a watershed, the moment when the ultimate American hawk and the ultimate Russian reformer end the Cold War. But if that tense and dangerous competition is to end, it will require many summit conferences, and basic changes inside both countries.

Reagan's Achievement

The special aspect of Ronald Reagan's fourth summit with Mikhail Gorbachev is that it brings the 77-year-old president to the Soviet Union for the first time. Thanks especially to the enormous television coverage, that makes his trip a kind of ultimate mission of discovery and acceptance of the land that Mr. Reagan had labeled the "evil empire" and that many other Americans still regard as lunar and forbidding.

Other Comment

It is fashionable to give Mikhail Gorbachev all the credit for improving relations between the United States and the Soviet Union. This is very unfair to President Reagan, whose extraordinary personality has been an equal factor in making the thaw possible.

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen

LEE W. HUEBNER, Publisher

JOHN VINOCCR, Executive Editor • WALTER WELLS, News Editor • SAMUEL ABE, KATHERINE KNORR and CHARLES MITCHELL, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Page • JAMES R. CRATE, Business Financial Editor

RENÉ BONDY, Deputy Publisher • ALAIN LECOUR and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISONS, Circulation Director • ROLF D. KRANEPUHL, Advertising Sales Director • KOURDTI HOWELL, Director, Information Systems

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612833; Editorial, 612718; Production, 630698.

Full Cycle: Détente to Tension to Dialogue

By Flora Lewis

MOSCOW — President Reagan is attending his fourth spectacular summit conference with Mikhail Gorbachev. It is a stunning completion of a full cycle since the last presidential visit to the Kremlin, when Richard Nixon and Leonid Brezhnev launched détente in 1972.

And it is a moment to consider the unending paradox of how rapidly things change and recur. The lesson is that the present can never be frozen, and therefore that the future will not look the same tomorrow as it does today.

There are big differences between the new relations which the United States is cautiously forging with the Soviet Union and the essentially tactical Nixon-Brezhnev détente. The United States then was trying to wriggle its way out of the Vietnam War without abandoning Saigon. It turned out that the "secret plan" for ending the war, on which Mr. Nixon campaigned in 1968, was simply to persuade Moscow and Beijing to let the United States go home. They had no reason to refuse. On his side, Mr. Brezhnev's goal was to pursue established Soviet objectives at reduced risk of confrontation with the United States.

All Quiet, They Say, on the Mitteleuropa Front

By John Vinocur

BERLIN — In 1969, when the four powers were moving toward an agreement on the status of Berlin, Vyron Abramson, the Soviet ambassador, offered Kenneth Rush, the American representative, a definition of how Europe ought to be run by the two superpowers: "You take care of your Germans," he said, "and we'll take care of ours."

It was a brutal and cynical phrase, and the Americans, with quiet delight, found double use for it. First by leaking the line to embarrass the Russians and Mr. Abramson, Moscow's pro-consul here. And then, over the years, as a reference point on Soviet tough-talk.

While the Moscow summit agenda was getting its final touches, the legitimacy and necessity of the U.S. role in Europe became a refrain at an Aspen Institute conference here last week on "The Perspective for Security and Cooperation in Central Europe." David Anderson, the institute's director, said the title was deliberately pumped full of air so that the official East German, Poles and Hungarians could comfortably get together with West German and representatives from NATO countries to talk about the future of Germany.

Washington — Rather than an occasion for a historic diplomatic breakthrough on southern Africa, the Moscow summit should be seen as a building block in the peace process, laying out the broad interests, incentives and options for long-term negotiations.

Don't Expect A Quick Fix For Angola

By Pauline H. Baker

WASHINGTON — Rather than an occasion for a historic diplomatic breakthrough on southern Africa, the Moscow summit should be seen as a building block in the peace process, laying out the broad interests, incentives and options for long-term negotiations.

A Test of Soviet Change: Nicaragua

By Stephen S. Rosenfeld

WASHINGTON — For years, the rap on summits, including Ronald Reagan's summits, was that they played to Soviet priorities in arms control and neglected the fundamental American interests in containing Soviet expansionism, limiting Soviet global conduct and easing regional conflicts.

swaying when he faces resistance, pressing forward when he sees the chance. He could still stumble and fall, but the direction can no more be reversed than the clock of the waning century can be turned back to its beginning.

Whether the Communist system is capable of the kind of reform that can bring the kind of success that Mr. Gorbachev seeks is another question. My own view is probably out, but transformation can also come gradually, so that there is never a precise moment when it can be said that the system has just then been replaced.

There have also been changes in U.S. society in this period, and in the rest of the world. These, too, make it more likely that the détente-tension-dialogue cycle will not simply be repeated, at any rate not quickly.

100, 75 AND 50 YEARS AGO

1858: Frontier Dispute PARIS — The "Standard" this morning [May 29] observes: "The outspoken explanation given by the 'North German Gazette' of the promulgation of the new frontier regulations which come into effect tomorrow between France and Germany is remarkable. It is a startling novelty, in this age, to be told by one highly civilized State of another, its immediate neighbor, that it proposes to render communication between them as limited and difficult as possible."

1938: Austrian Debt

BERLIN — Current negotiations here between British and German financial and commercial delegations have disclosed that despite the Anglo-German treaty, Berlin declines in principle to recognize as obligatory the foreign indebtedness of Austria.

1913: Greek Demands

LONDON — Greece, the Herald learns, will persist in her demand for the cession to her of such Macedonian territories, even though occupied by Bulgaria, as are Greek by nationality and tradition. The Greeks assert that the success of the war was due to their naval operations and that for this alone consideration is due to Greece.

The System Is Exposed As Suicidal

By Jim Hoagland

MOSCOW — As you approach a Moscow restaurant, the doorman grimly eyes you, sets a snarl on his lips and draws the door half-shut. Unless you have influence within his establishment, he will tell you that the dining room is full (even if it is completely empty), that the restaurant is closing or that poisonous poisoning is the chef's specialty.

The doorman's job at state-owned restaurants is to chase customers away, not to bring them in. It is not a matter of manners, nor of catering tips, but of a system that makes the staff work hard to keep the food from spoiling.

Restaurants get steady deliveries of meat and vegetables that are scarce or require waiting in long lines in the state-run stores. The staff can't leave the door to open at the end of the day to be eaten at home or sold to friends at black market prices.

That in microcosm is the Soviet system that Mikhail Gorbachev and his economic reformers are trying to change. Like most Soviet workers, the restaurant staffers have no incentives to make their enterprises more profitable, efficient or even pleasant.

To buy something over the shop counter, a customer needs to interrupt aggressively the discussions going on among clerks oblivious to lines of would-be purchasers. Factories run to meet statistical production targets, not to provide goods that will attract customers.

More Machiavellian explanation is also around: With the Soviet Union probably preparing troop withdrawals from Eastern Europe in the next months, it would be hard for Moscow to ask the United States to take a corresponding small step out of Europe if it did not stop saying, at least in the short term, that the Americans don't belong here in the first place.

Readers of Pravda were recently given a revealing glimpse of how high the costs of such a system can go. The Communist Party newspaper printed a note written by a leading nuclear physicist who disclosed that authorities in the Soviet nuclear industry had ignored several early warnings that the safety system was inadequate at the Chernobyl reactor site.

The Chernobyl accident was the inevitable result of the poor management of the economy, wrote Valeri Legasov, who worked on the decontamination of Chernobyl. "Collective responsibility is an incorrect approach. A lack of personal responsibility for the quality of the apparatus was one of the factors which led directly to the Chernobyl accident."

Pravda reported that Mr. Legasov, 51, committed suicide last month shortly after writing the critical note. The surprising public admission of such a nuclear industry insider had died from radiation contamination.

The publication of Mr. Legasov's critical note bore the fingerprints of Mr. Gorbachev and his advisers, who argue that making party officials and economic managers accountable for their decisions is an important first step in their reforms.

They are emphasizing joint ventures with Western firms in hopes that managerial expertise will rub off on the Soviets who work with Americans and other Westerners. Fly on Pan Am to Moscow and you will see Aeroflot stewards and co-pilots working with their counterparts on the flight.

The reformists have also permitted a small number of "cooperative" restaurants to set their own prices and welcome customers. Internationally, plumbers, mechanics and other artisans are able to work for customers on a market basis. But these efforts remain small and ensnared in a resilient system that has developed its own logic and its own defenders.

"We have two systems side by side, one old and entrenched, and one new and fragile," said one Gorbachev supporter. "That can work for a while. But most Soviet citizens cannot afford such a system. The main impact so far on them is to raise their expectations about what they can get. And that would be a disaster for everyone."

THE MOSCOW Local W

By William... The meeting... most ambitious... critical regional... conflict officials.

Mr. Reagan... advisers will... famine... Central America... Games in Seoul.

The prominence of... party... cutting... curbing missile... Despite Kremlin displeas

Armenia In Publ

By David Remni

MOSCOW — A crowd of 150 Armenian demonstrators... Yegor K... the Kremlin's chief of... here Sunday.

Mr. Legasov... meeting of Communist... last week... Region would definitely... American control.

Referring at that time to... the Caucasus... Mr. Legasov said the... the Kremlin's chief of... here Sunday.

At the same meeting, K... was removed as his... for his... months ago... 2 deaths.

The demonstration Sunday... cemetery in Y... was held one day after... test run in the Armenian... Yerevan.

According to sources in... Armenia, a crowd of 50,000... in Yerevan... the anniversary of the... leader, Paro... tin.

A disident, Sergei... who is editor of the... journal Glasnost... an Armenian descent... the city in Yerevan... to the Supreme Soviet... Monday at the residence... American independence... Mr. Ainkhan... set for... Mr. Ainkhan, 38, was... March 24 and charge... spreading anti-Soviet... foreign journalists. He... spent 17 years in prison... underground political work.

Mr. Ainkhan's wife... scheduled to be among... dissidents and others... with President Ronald R... Monday at the residence... U.S. ambassador.

U.S. Que Of Armei

By Robert Pea... New York Times Service... WASHINGTON — Su... partners... lawyers have... on the United States is... by accepting thousands... of means... refugees without... that they have been pe... in the Soviet Union.

The lawyers said this... appears to violate the Ref... of 1980, which defines a... a person with "a well-fo... of persecution."

The State Department... reported their concern... Department last week... ceiving a cable from the U... based in Moscow indicat... that people leaving the... Union are automatically... refugee status in the U... An official of the Imm... and Naturalization Serv... found that the agency's... of refugee applications... Armenians has been... automatic, even though... nians are "not generally... ing claims of persecution... INS interviews."

The disclosure of this... potentially embarrassing... administration because Pr... Ronald Reagan recently... Congress to double the refu... era Europe, for the Soviet... accommodate more Arm... Some congressmen are... that refugees from other... ticularly Indochina, are tre... favorably.

The number of Armenis... migrated to leave the Soviet... has increased dramatic... about 200 a year in the m... to about 1,200 a month s... who say they have been... 1,000 a year in the mid-1... more than 8,000 last year... The increased emigrati... from diplomatic efforts... repeatedly called on Sov... to liberalize their emigra... tions.

كازمان الأصيل

THE MOSCOW SUMMIT: A search for accord on regional issues as well as on arms control.

Local War, Famine and Olympics Security Are Topics for Reagan and Gorbachev

By William Drozdiak

MOSCOW — The meetings between Ronald Reagan and Mikhail S. Gorbachev are expected to constitute the two leaders' most ambitious effort yet to coordinate views on critical regional conflicts, according to senior U.S. officials.

At Spaso House, the official residence of the U.S. ambassador, with Soviet dissidents and Jews who have been denied exit visas. The United States will seek to verify Soviet assertions that abuses of psychiatry have ceased, which could lead to renewed professional contacts in that field.

U.S. officials say regional cooperation on foreign-policy matters offers the greatest possibility for broadening the U.S.-Soviet relationship. The Soviet leadership has shown new signs of wanting to extend the superpower dialogue to other international trouble spots now that the Kremlin is extricating itself from 8 1/2 years of combat in Afghanistan.

The Middle East is perhaps the prime example of conflicting approaches to regional peace settlements. The Soviets are seeking to convene an international conference that would reach a binding regional peace agreement, while the United States favors a conference that would encourage direct talks between the Israelis and their Arab neighbors.

The United States also plans to urge the Soviets to use their influence with Ethiopia's Marxist government to expand the flow of food supplies to civil-war refugees threatened by famine.

System Exposed Suicidal

Jim Hoagland

OW — As you approach a new restaurant, the door is open, the lights are on, the staff is waiting. You walk in, the door closes behind you, and you are in a room that is full of people. It is not a restaurant, it is a system.

Armenians Assail Ligachev In Public Protest in Moscow

By David Remnick

MOSCOW — A crowd of about 150 Armenian demonstrators angrily denounced Yegor K. Ligachev, the Kremlin's chief of ideology, at a rally here Sunday.

The crowd in Yerevan carried the Armenian national flag and portraits of Armenian national heroes. The demonstration took place near the city's opera, where protests of hundreds of thousands of people calling for the annexation of Nagorno-Karabakh into Armenia were held in February.



An officer of the Soviet police speaking Sunday with Armenian protesters in Moscow during a rally at the Armenian Cemetery.

With Rumor Of Pogrom, Fear Rises Among Jews

By David Remnick

MOSCOW — Rumors of a pogrom next month against Soviet Jews and a series of anti-Semitic incidents have frightened Jews in Moscow and other cities.

The level of fear among Jews, especially in Moscow, is high. "From time to time you hear rumors about various anti-Semitic acts going on, but the rumors go away, usually," said Yury Zinman, a Jew who has been refused an exit visa.

Jewish sources said that many of their gentile neighbors had warned them to stay off the street during the celebration.

Referring at that time to the re-drawing of the Caucasus borders, Mr. Ligachev said the issue was finished, demonstrators and other sources said. He was speaking May 21 at a meeting of the Azerbaijan Central Committee in Baku.

At the same meeting, Kyanram Bagirov was removed as the Azerbaijan party leader for his role in riots three months ago that led to 32 deaths.

The demonstration Sunday at an Armenian cemetery in Moscow was held one day after a mass protest rally in the Armenian capital of Yerevan.

According to sources in Moscow and Armenia, a crowd of about 50,000 marched in Yerevan, demanding the release from prison of the nationalist leader, Paronir Aitkian.

A dissident, Serpi I. Grigoryants, who is editor of the independent journal Glasnost and is of Armenian descent, said that speakers at the rally in Yerevan on Saturday said they had sent to the Supreme Soviet asking that the Republic was formed, be declared Armenian independence day and that Mr. Aitkian be set free.

Mr. Aitkian, 38, was jailed March 24, and charged with spreading anti-Soviet slander to foreign journalists. He had already spent 17 years in prison for his underground political work.

Mr. Aitkian's wife, Elena, is scheduled to be among the group of dissidents and others who will meet with President Ronald Reagan on Monday at the residence of the U.S. ambassador.

U.S. Questions Legality Of Armenian Refugees

By Robert Pear

WASHINGTON — State Department lawyers have concluded that the United States is improperly accepting thousands of Armenians as refugees without any finding that they have been persecuted in the Soviet Union.

The lawyers said this practice appears to violate the Refugee Act of 1980, which defines a refugee as a person with a "well-founded fear of persecution."

The State Department lawyers reported their concern to the Justice Department last week after receiving a cable from the U.S. Embassy in Moscow indicating a belief that people leaving the Soviet Union are automatically entitled to refugee status in the United States.

An official of the Immigration and Naturalization Service confirmed that the agency's approval of refugee applications from Soviet Armenians has been "virtually automatic," even though the Armenians are "not generally articulating claims of persecution in their INS interviews."

The disclosure of this practice is potentially embarrassing to the administration because President Ronald Reagan recently asked Congress to double the refugee ceiling for the Soviet Union and Eastern Europe, to 30,000, mainly to accommodate more Armenians.

Some congressmen are concerned that refugees from other areas, particularly Indochina, are treated less favorably.

The number of Armenians permitted to leave the Soviet Union has increased dramatically, from about 200 a year in the mid-1980s to about 1,200 a month since September.

Emigration by Soviet Jews who say they have been persecuted has also increased, from about 1,000 a year in the mid-1980s to more than 8,000 last year.

The increased emigration from the Soviet Union results in part from diplomatic efforts by the administration. Mr. Reagan has repeatedly called on Soviet officials to liberalize their emigration policies.

Senator Alan K. Simpson of Wyoming...

Historian Says Afghanistan Was the Crucial Step

Adam B. Ulam, director of the Russian Research Center at Harvard University, is among a group of experts that has been giving what he called "perspective" to President Ronald Reagan on the Moscow summit meeting and the situation in the Soviet Union.

MONDAY Q&A

Q. This seems to set the stage for progress on arms control. Even if it seems unlikely that a formal treaty will come out of the summit, can we expect a framework for an agreement to reduce strategic weapons?

A. Yes, I think there is the possibility of a substantial basis for such an agreement. Q. How much remains to be done on a pact to reduce intercontinental ballistic missiles? Is it fair to say that an agreement is almost there but for a few tricky details?

A. No, there are serious problems. They have to do with the Strategic Defense Initiative and other things. So it is doubtful we can reach this agreement during Mr. Reagan's incumbency, even though the Soviets would very much like to do it.

Q. Is a 50-percent cut of strategic weapons on either side still a feasible objective? A. Yes, Very much so.

Q. Do you see internal opposition in Washington and Moscow that would impede that kind of reduction? A. In the United States, considerable difficulties remain in the way of a strategic arms agreement. I think the Soviets throughout have regarded the whole question of nuclear arms from the point of view of political bargaining.

Reagan Stroll on the Arbat Turns Into Mob Scene

Spaso House. The president later told reporters that he had heard about the park where the children played and "wanted to take a look."

"I have always heard that the Russian people are very friendly and outgoing," he said, commenting on the long drive in from the airport along a route lined by waving Muscovites. "It was a very warm welcome."

"The president's route hasn't been published in our newspapers," said a young Muscovite, "so it's like a lottery. You wait here or you wait somewhere else. Who knows whether you will hit the jackpot?"

The presence of an American journalist triggered an animated discussion about the differences between the superpowers and the changes that are taking place in the Soviet Union.

"Who cares whether Reagan is a Communist or a capitalist," said a middle-aged man from the Crimea with a lapel badge depicting the Soviet and U.S. flags. "He's going to sign an agreement with Gorbachev cutting down the number of nuclear missiles. That's good."

"That agreement is rubbish," said a voice in the back of the crowd, apparently referring to the treaty banning short and medium-range nuclear missiles that Mr. Reagan and Mr. Gorbachev will finally ratify on Wednesday. "We need to get rid of all nuclear missiles. All of them. They are totally useless. Let us and the Americans agree to disarm our armies. We will have our militia and you will have your police force. That will be enough."

An elderly woman said that she wanted to thank the American people for helping the Soviet Union during World War II. After living in Leningrad during the siege by Hitler's armies, when people were dying of starvation every day, she said she was excited to Siberia to discover what seemed like a cornucopia of American canned food, clothes, and medical supplies.

Life in the Soviet Union was grim, she insisted, despite Mr. Gorbachev's promised reforms. Bureaucracy and corruption were rampant.

"We have glasnost now," said the Muscovite. "People are free to say what they want. For years, we knew that things were bad, but nobody dared to speak out loud. We had to say that everything was wonderful here."

"We may have glasnost, but still I am afraid," said the woman from Leningrad. "I am speaking freely now, but who knows what will happen tomorrow?"

At Progress Publishers, an official Soviet publishing house, an editor admitted that he was a member of Pamyat and told his fellow workers that Jews risked beatings on June 4. However, the head of Pamyat, Dimitri Vasilyev, said in an interview that his organization was not organizing any pogroms.

The threat of violence against Jews during the millennium celebration, sources said, is not confined to the capital. In Kiev, militia officers reportedly told the heads of various enterprises to warn workers that "Jewish and Jewish-looking people should not show up on the street" early next month.

Geneva NEWS: THE MAGAZINE OF SWITZERLAND'S INTERNATIONAL LIFE

IF IT GOES ON IN GENEVA, IT GOES INTO GENEVA NEWS AND INTERNATIONAL REPORT

INTERNATIONALLY, GENEVA IS RARELY OUT OF THE NEWS. NOT SURPRISINGLY, FOR THIS IS A CITY OF TREMENDOUS SYNERGY - AN ENERGY TO BE INVOLVED AND INFLUENTIAL IN IMPORTANT WORLD EVENTS. AND THE PEOPLE OF GENEVA TOO, BOTH RESIDENT AND TRANSIENT, SHARE IN THIS VITALITY.

SUCH A MIX MAKES FOR A PLACE WHERE THINGS HAPPEN AT A FAST PACE - AND WHEN THINGS HAPPEN, GENEVA NEWS IS THERE TO REPORT.

IN ADDITION TO ITS IN-DEPTH COVERAGE OF ALL ASPECTS OF WORLD AND LOCAL EVENTS GENEVA NEWS ALSO ADDRESSES: BUSINESS NEWS IMPORTANT SOCIAL TOPICS HOW (AND WHERE) TO FIND TOP QUALITY ENTERTAINMENT RESTAURANTS LEISURE ARTS AND CULTURE

GENEVA NEWS AND INTERNATIONAL REPORT, EVERY MONTH BY SUBSCRIPTION OR FROM YOUR NEWSAGENT.

D 50 YEARS AGO

Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 11 30. Prices may vary according to market conditions and other factors.

May 26

Dollar Straights

Table listing bond prices for various countries including Australia, Canada, and Japan under the Dollar Straights section.

France

Table listing bond prices for France under the Dollar Straights section.

Germany

Table listing bond prices for Germany under the Dollar Straights section.

Italy

Table listing bond prices for Italy under the Dollar Straights section.

Spain

Table listing bond prices for Spain under the Dollar Straights section.

UK

Table listing bond prices for the UK under the Dollar Straights section.

Sweden

Table listing bond prices for Sweden under the Dollar Straights section.

Netherlands

Table listing bond prices for the Netherlands under the Dollar Straights section.

Mutual Funds

Figures as of close of trading Friday May 27

Table listing mutual fund performance metrics including New York, London, and other regional funds.

USA

Table listing US Treasury and government bond prices.

Europe

Table listing European government and corporate bond prices.

Asia

Table listing Asian government and corporate bond prices.

Latin America

Table listing Latin American government and corporate bond prices.

DM Straights

Table listing bond prices in Deutsche Marks (DM) for various countries.

DM Zeros

Table listing zero-coupon bond prices in Deutsche Marks (DM).

DM Straights

Table listing additional bond prices in Deutsche Marks (DM).

NYSE Most Actives

Table listing the most active stocks on the NYSE.

AMEX Most Actives

Table listing the most active stocks on the AMEX.

NYSE Sales

Table listing sales figures for the NYSE.

AMEX Sales

Table listing sales figures for the AMEX.

NYSE Diaries

Table listing diary entries for the NYSE.

AMEX Diaries

Table listing diary entries for the AMEX.

NYSE Sales

Table listing sales figures for the NYSE.

AMEX Sales

Table listing sales figures for the AMEX.

WestLB Fixed Income and Equities Trading - for dealing prices call: WestLB Westdeutsche Landesbank

Large advertisement for WestLB (Westdeutsche Landesbank) featuring the text 'WestLB Fixed Income and Equities Trading - for dealing prices call: WestLB Westdeutsche Landesbank' and 'Last Week'.

FROM THERMAL POWER MONDAY, MAY 30, 1988

Vertical text on the left edge of the page, possibly a page number or date.

Vertical text on the left edge of the page, possibly a page number or date.

Vertical text on the left edge of the page, possibly a page number or date.

Vertical text on the left edge of the page, possibly a page number or date.

EUROBONDS

Borrowers Rush to Issue But Investors Wait to Buy

By CARL GEWIRTZ International Herald Tribune PARIS — Borrowers, spurred by a desire to lock in fixed costs before they rise or favorable floating-rate swap rates while they were still available, rushed to the Euro-bond market last week. But bankers said that investors were reluctant to commit new funds to the market.

A few of the new issues sold well, and those that did benefited from portfolio switching — where investors sold existing holdings to make room for paper of higher quality or higher yield.

Austria's \$100 million, 10-year issue was a good example of this. Investors want triple-A sovereign or state-guaranteed paper. In addition, the offering yield, 58 basis points over comparably dated U.S. Treasury notes, looked fair.

Even the moribund market for perpetual floating-rate notes opened. There has not been an updated FRN offering since early 1987, but bankers stressed that last week's issue was special and did not indicate a market resurgence.

The issuer was Commonwealth Bank of Australia, owned and guaranteed by the government. The \$300 million of perpetuals carry a coupon of 15 basis points, or 0.15 percent, over the London interbank offered rate.

The special features that made the issue possible were the offer to investors to turn the paper into a 10-year instrument and the standing of the notes — guaranteed by Australia and also senior debt of the bank.

Among other issues, a novel offering by BT Goldnotes was designed to appeal to investors worried about a resurgence of inflation. This gold-backed bond is guaranteed by Bankers Trust Co. of New York.

Investors are offered paper that is equivalent to five ounces of gold at \$438 an ounce, below the \$452 London afternoon fixing on Friday. The subscription price is thus \$2,190. At maturity, in four years, investors are assured a repayment of at least \$2,275; the equivalent of \$455 an ounce. But the payoff could be higher if it is tied to the average price of gold during the four years.

On the 14th of every month, the London afternoon fixing price will be recorded and at maturity the average will be calculated. From this average will be deducted the \$438 offering price and whatever is left will be paid, in cash, to the noteholders.

Bankers Trust says the aim is "to protect investors' principal regardless of the actual performance of gold over the life of the investment and to allow investors to participate in the average increase in gold prices."

But critics complain that the structure is too defensive. The gold price, one critic says, tends to drift and then move sharply. "If the price drifts for two years and then spikes up in the final two years, investors only get the average of the increase."

Chemical Venture Offering

ENI, Montedison Seeking Investors

MILAN — Montedison SpA and Ente Nazionale Idrocarburi, the state energy group, have announced that they are now seeking private investors for their proposed chemicals joint venture.

The capital of the joint venture will be owned to a significant contribution by third-party investors in Italy and abroad, ENI's chairman, Franco Reviglio, said at a news conference with executives from both groups on Saturday.

On Tuesday, ENI and Montedison announced the signing of a letter of intent to merge most of their chemical activities into a new company, but only briefly mentioned a possible role for foreign investors. A final accord is expected by late July.

The new company, expected to be operating by January, would rank seventh or eighth among international chemical groups and have an estimated revenue of more than 13 billion lire (\$10.2 billion), officials said.

Mr. Reviglio said private investors had shown considerable interest, but declined to name them. He said the two companies were primarily seeking support from institutional investors, such as pension funds and insurance companies. But he did not exclude participation by industrial concerns.

Dow Chemical Co. of the United States, which has a stake of 4 percent to 5 percent in Montedison, and Fiat SpA have said they may be interested in joining the venture.

The shareholdings of ENI and Montedison will remain equal for at least three years, Montedison's chairman, Raul Gardini, said. He declined to disclose the projected joint stakes or comment on rumors that each group would hold an initial 40 percent, with 20 percent held, by private investors.

Mr. Gardini said that the ENI-Montedison shareholding arrangement may change after three years but that the two groups would still control the venture.

Foreign exchange profits at U.S. banks fell 30 percent in the first three months of this year, albeit from heady fourth-quarter 1987 levels.

And the lack of dollar volatility against the Deutsche mark and yen in the second quarter suggests little recovery in earnings, dealers said.

Zeal Could Trip Insider Cases

By Nathaniel C. Nash New York Times Service WASHINGTON — When the first blockbuster insider-trading cases in the United States were brought almost two years ago, they were hailed as a breakthrough in the effort to stop white-collar crime on Wall Street.

But some securities lawyers maintain the government may be endangering its goals with an overzealous pursuit of such cases.

The prosecutions of Ivan F. Boesky, Dennis B. Levine and others were seen as sending a message that those convicted of trading stock based on confidential information almost certainly faced time behind bars.

Though most experts said it was too early to assert that white-collar crime has been beaten back on Wall Street, some lawyers said prosecutors, bowing to public pressure, have become too quick to seek maximum sentences, too eager to prosecute marginal cases and too quick to label as felonies certain actions that for years were not considered crimes.

"There seems to be less and less room for middle ground," said Jed S. Rakoff, a white-collar defense specialist with the New York law firm of Mudge, Rose, Guthrie, Alexander & Ferns. "In every action now either you are acting lawfully or you are committing a crime. You either have to be perfect, or you're a criminal."

Mr. Rakoff was referring to a perception that the Securities and Exchange Commission and the Justice Department have recently pursued as criminal cases some actions that they would previously have treated only as civil matters.

The case most frequently cited by defense lawyers as an example of the government overzealousness involved the arrest on insider-trading charges in February 1987 of three Wall Street traders, two of whom were taken from their offices in handcuffs. But prosecutors subsequently dropped the charges, saying they needed more time to develop a broader case.

Securities lawyers claimed, however, that the prosecutors backed off because of a lack of evidence.

The government, for its part, has argued that criminal prosecutions have a greater deterrent effect than the fear of fines and other civil penalties.

Securities lawyers said they were advising an increasing number of clients not to cooperate in federal investigations. Defense lawyers predicted that this would hurt government efforts to fight white-collar crime.

The SEC acknowledged that it is getting reduced cooperation from people under investigation. Its chairman, David S. Ruder, has indicated that the commission is bracing for some difficult court battles, in which defendants have refused to negotiate out-of-court settlements.

But Gary G. Lynch, director of the SEC's enforcement division, is not mourning the loss of cooperation from people under investigation. Rather, he maintained, the deterrent effect of stiff jail sentences, large fines and other penalties is more important than getting help from defendants.



Gary G. Lynch



David S. Ruder

'You either have to be perfect, or you're a criminal.'

Jed S. Rakoff, Defense specialist.

cause critical evidence in many cases comes from informants.

The price of gasoline is rising by 32.2 percent, postal services by 28 percent, railway fares by 38.5 percent and coal by 30.3 percent.

The government kept controls, however, on some essential foodstuffs, such as milk and flour.

Prices were frozen in November as inflation soared to more than 170 percent.

The IMF credit, for more than \$400 million, is one component of about \$1.2 billion in new credits that Yugoslavia wants this year to ease the repayment burden on its \$21 billion foreign debt.

Western creditors had insisted that Yugoslavia negotiate an agreement with the IMF before they would delay repayments on \$10.5 billion of Yugoslavia's debt and provide the remaining loans.

Yugoslavia plunged into economic problems in the 1980s after much of its heavy borrowing from the 1970s was invested in questionable projects or was used to fuel a consumer boom.

(Reuters, AFP, AP)

Belgrade Unveils Austerity Plan, Devalues Dinar

Compiled by Our Staff From Dispatches BELGRADE — Despite worker unrest, the Yugoslav government launched a long-awaited economic austerity program over the weekend by freezing prices and devaluing the dinar by 19.43 percent.

The moves clear the way for a standby credit from the International Monetary Fund and other fresh loans from Western creditors to finance a revitalization of Yugoslavia's crisis-ridden economy.

Prime Minister Branko Mikulic's timing of the measures, on late Friday, came just as delegates of the governing Communist Party were gathering here for an emergency conference on economic and political reform to address worker complaints, a 152 percent inflation rate and a series of corruption scandals.

The party leader, Bosko Krunic, on Sunday called for a purge against corruption in the party. "Radical changes, in the functioning of the League of Communists," he said, "requires a radical purge of the LC of all such manifestations or those who are responsible for them. Indifference towards thieves, immorality and dishonesty is not permissible."

The devaluation, which will make Yugoslav exports cheaper and encourage tourism, was the second big cut in the dinar's value in seven months.

The change will value the dollar at 1,922.75 dinars on Monday compared with 1,549 on Friday, a 19.43 percent reduction for the local currency. A year ago the dinar was changing hands at 609 to the dollar.

The government removed controls from 40 percent of imports and 60 percent of prices, a step that will hurt workers already scolding over wage controls in a country where the average pay is less than \$200 a month.

The price of gasoline is rising by 32.2 percent, postal services by 28 percent, railway fares by 38.5 percent and coal by 30.3 percent.

The government kept controls, however, on some essential foodstuffs, such as milk and flour.

Prices were frozen in November as inflation soared to more than 170 percent.

The IMF credit, for more than \$400 million, is one component of about \$1.2 billion in new credits that Yugoslavia wants this year to ease the repayment burden on its \$21 billion foreign debt.

Western creditors had insisted that Yugoslavia negotiate an agreement with the IMF before they would delay repayments on \$10.5 billion of Yugoslavia's debt and provide the remaining loans.

Yugoslavia plunged into economic problems in the 1980s after much of its heavy borrowing from the 1970s was invested in questionable projects or was used to fuel a consumer boom.

(Reuters, AFP, AP)

Bonn Proposal To Daimler on MBB Reported

HAMBURG — The West German government has made an offer to Daimler-Benz AG, which could lead the diversified car maker to take a stake in Messerschmitt-Bölkow-Blohm GmbH, Der Spiegel is reporting in its issue Monday.

Der Spiegel said Economics Minister Martin Bangemann had proposed that the government take over MBB's risks linked to the Airbus program. In return, Daimler would take 30 percent of the 52 percent share in MBB held by the federal states of Bremen, Hamburg and Bavaria.

Daimler and the Economics Ministry had no comment. Deutsche Airbus GmbH, the West German arm of the European Airbus consortium, is 100 percent held by MBB. The government has been seeking an industrial partner for MBB, but Daimler has insisted that it should have nothing to do with Airbus debts.

Calm Currency Dealers Feel the Heat in Hawaii

HONOLULU — Perhaps they were feeling guilty about soaking up the sun at their banks' expense, but the world's foreign exchange dealers ended an annual convention held in Hawaii by agreeing that they were going to have to work harder.

Now that most major currencies have nestled into narrow ranges, it is no longer easy to make money through one-way bets on a further fall in the dollar.

Instead, dealers are having to show more imagination and take greater risks to earn the profit needed to cover the high costs of salaries and computerized trading rooms.

"We have to work harder, be more competitive and tell our dealers to jump on every opportunity," said Edgar Peng, a foreign exchange manager at Credit Suisse in Zurich.

Foreign exchange profits at U.S. banks fell 30 percent in the first three months of this year, albeit from heady fourth-quarter 1987 levels.

And the lack of dollar volatility against the Deutsche mark and yen in the second quarter suggests little recovery in earnings, dealers said.

Trade Surplus Falls in Mexico

MEXICO CITY — Rising imports and lower oil prices helped reduce Mexico's trade surplus in the first four months of the year by 33.1 percent from the level in the corresponding 1987 period, the government has reported.

The main bright spot in a report issued by the Budget and Planning Ministry on Friday was a jump in nonoil exports, a sector the government has attempted to develop to boost the economy, create jobs and earn foreign currency.

For the four months, Mexico had a trade surplus of \$1.926 billion, down from the \$2.88 billion recorded in the January-April 1987 period. In the latest period, exports rose to \$7.061 billion from \$6.67 billion in the first four months of 1987, but imports increased to \$5.135 billion from \$3.79 billion.

The value of oil exports fell 12.5 percent, to \$2.403 billion, but sales volume remained stable at 1.3 million barrels a day. The government attributed the lower revenue to a drop in oil prices, from about \$18 a barrel in the 1987 period to between \$13 and \$14 this year. The nonoil exports accounted for almost twice as much revenue in the latest period, earning \$4.638 billion, up 23.6 percent from the 1987 level.

Currency Rates

Table with columns for Currency, Bid, Ask, and other financial data. Includes entries for London, Zurich, and other international markets.

Last Week's Markets

Table with columns for Stock Indexes, Money Rates, and other market data. Includes entries for DJ Index, FTSE 100, and various interest rates.

PETROFINA advertisement featuring the FINA logo, company name, and a detailed 'Highlights of the 1987 Report' table. The table compares 1987 and 1986 performance across various metrics like Net income, Cash flow, and Production of crude oil.

NASDAQ National Market

OTC Consolidated trading for week ended Friday, May 27

Symbol	100s	High	Low	Close	Chg	Symbol	100s	High	Low	Close	Chg
AAW	70	73	71	72	+	AAW	70	73	71	72	+
ABB	42	45	41	43	+	ABB	42	45	41	43	+
ACC	18	20	17	19	+	ACC	18	20	17	19	+
ACD	10	12	9	11	+	ACD	10	12	9	11	+
ACI	15	18	14	16	+	ACI	15	18	14	16	+
ACM	20	25	18	22	+	ACM	20	25	18	22	+
ACN	12	15	11	13	+	ACN	12	15	11	13	+
ACR	18	22	16	20	+	ACR	18	22	16	20	+
ACS	10	13	8	11	+	ACS	10	13	8	11	+
ACT	15	20	12	17	+	ACT	15	20	12	17	+
ACU	12	16	10	14	+	ACU	12	16	10	14	+
ACV	18	23	14	20	+	ACV	18	23	14	20	+
ACW	10	14	8	12	+	ACW	10	14	8	12	+
ACX	15	20	12	17	+	ACX	15	20	12	17	+
ACY	12	16	10	14	+	ACY	12	16	10	14	+
ACZ	18	23	14	20	+	ACZ	18	23	14	20	+
ADA	10	13	8	11	+	ADA	10	13	8	11	+
ADB	15	20	12	17	+	ADB	15	20	12	17	+
ADC	12	16	10	14	+	ADC	12	16	10	14	+
ADD	18	23	14	20	+	ADD	18	23	14	20	+
ADE	10	13	8	11	+	ADE	10	13	8	11	+
ADF	15	20	12	17	+	ADF	15	20	12	17	+
ADG	12	16	10	14	+	ADG	12	16	10	14	+
ADH	18	23	14	20	+	ADH	18	23	14	20	+
ADI	10	13	8	11	+	ADI	10	13	8	11	+
ADJ	15	20	12	17	+	ADJ	15	20	12	17	+
ADK	12	16	10	14	+	ADK	12	16	10	14	+
ADL	18	23	14	20	+	ADL	18	23	14	20	+
ADM	10	13	8	11	+	ADM	10	13	8	11	+
ADN	15	20	12	17	+	ADN	15	20	12	17	+
ADO	12	16	10	14	+	ADO	12	16	10	14	+
ADP	18	23	14	20	+	ADP	18	23	14	20	+
ADQ	10	13	8	11	+	ADQ	10	13	8	11	+
ADR	15	20	12	17	+	ADR	15	20	12	17	+
ADS	12	16	10	14	+	ADS	12	16	10	14	+
ADT	18	23	14	20	+	ADT	18	23	14	20	+
ADU	10	13	8	11	+	ADU	10	13	8	11	+
ADV	15	20	12	17	+	ADV	15	20	12	17	+
ADW	12	16	10	14	+	ADW	12	16	10	14	+
ADX	18	23	14	20	+	ADX	18	23	14	20	+
ADY	10	13	8	11	+	ADY	10	13	8	11	+
ADZ	15	20	12	17	+	ADZ	15	20	12	17	+
AEA	12	16	10	14	+	AEA	12	16	10	14	+
AEB	18	23	14	20	+	AEB	18	23	14	20	+
AEC	10	13	8	11	+	AEC	10	13	8	11	+
AED	15	20	12	17	+	AED	15	20	12	17	+
AEE	12	16	10	14	+	AEE	12	16	10	14	+
AEF	18	23	14	20	+	AEF	18	23	14	20	+
AEG	10	13	8	11	+	AEG	10	13	8	11	+
AEH	15	20	12	17	+	AEH	15	20	12	17	+
AEI	12	16	10	14	+	AEI	12	16	10	14	+
A EJ	18	23	14	20	+	A EJ	18	23	14	20	+
A EK	10	13	8	11	+	A EK	10	13	8	11	+
A EL	15	20	12	17	+	A EL	15	20	12	17	+
A EM	12	16	10	14	+	A EM	12	16	10	14	+
A EN	18	23	14	20	+	A EN	18	23	14	20	+
A EO	10	13	8	11	+	A EO	10	13	8	11	+
A EP	15	20	12	17	+	A EP	15	20	12	17	+
A EQ	12	16	10	14	+	A EQ	12	16	10	14	+
A ER	18	23	14	20	+	A ER	18	23	14	20	+
A ES	10	13	8	11	+	A ES	10	13	8	11	+
A ET	15	20	12	17	+	A ET	15	20	12	17	+
A EU	12	16	10	14	+	A EU	12	16	10	14	+
A EV	18	23	14	20	+	A EV	18	23	14	20	+
A EW	10	13	8	11	+	A EW	10	13	8	11	+
A EX	15	20	12	17	+	A EX	15	20	12	17	+
A EY	12	16	10	14	+	A EY	12	16	10	14	+
A EZ	18	23	14	20	+	A EZ	18	23	14	20	+

NEW B

INTEREST RATE NOTES

FOREIGN EXCHANGE

COMMODITIES

INDEXES

STOCKS

BONDS

OTHER

Japan Air

Japan Air - A J... package of \$2.3 billion in grants and unsecured loans to the Japanese embassy in Tokyo... announced... package of \$2.3 billion in grants and unsecured loans to the Japanese embassy in Tokyo... announced...

مكتبة التراث

(Continued on next left-hand page)

New International Bond Issues

Compiled by Laurence Desvillettes

Table of bond issues with columns for Issuer, Amount (millions), Mat., Coup. %, Price, Price end week, and Terms. Includes sections for Floating Rate Notes, Fixed-Coupon, and Equity-Linked.

Japan Aid to Jakarta Has Favorable Terms

Agence France-Press. JAKARTA — A Japanese aid package of \$2.3 billion for Indonesia this year will include \$1.7 billion in grants and unrestricted loans...

purchase of goods from the donor country. Japan has already disbursed \$300 million in yen-denominated, low-interest government loans to Indonesia...

costs of development projects that are being financed by the World Bank and the Asian Development Bank. The World Bank, in a report earlier this month, said Indonesia had \$18.5 billion in unused foreign aid in December...

Syndicated Loans Soar as Investors Retreat from Eurobonds

By Carl Gewirtz

INTERNATIONAL HERALD TRIBUNE. PARIS — Activity in the syndicated loan market is running at a record pace with an estimated \$33 billion of new credits completed in the first quarter...

Equally noteworthy, borrowers within the major industrialized countries accounted for nearly 90 percent of the first-quarter loans...

Both the volume increase and the changing pattern of distribution this year are linked to the slack activity in the Eurobond market...

A perfect example of the interplay between the two sectors of the Eurobond market was last week's \$275 million (\$1.62 billion) syndicated loan for Courage Pub Co.

Elders DLX of Australia paid \$1.4 billion to acquire Courage Ltd., a leading British brewery...

EUROBONDS: Rush of Issues

(Continued from first finance page)

possible borrowing cost and the banks more bang for their money.

The \$100 million issue runs for three years, starting as a fixed coupon bond bearing a coupon of 8% percent...

That's because banks can profitably pay for the fixed-coupon bond with three-month money borrowed in the interbank market...

If they switch to the floater, the coupon is a relatively thin 4% point over Libor, yet the included fees would produce a yield roughly equal to a bank loan...

Where it will be placed remains to be seen. Japan reported last week that foreign investors have again become net sellers of Japanese stocks...

These developments may end the decline in coupons on bonds that carry warrants to buy shares. Coupons have fallen to 3% percent and lifted the effective premium on the warrants to around 24 percent.

The dollar sector also saw a heavy flow of equity-linked paper from Japanese issuers. Bankers report that the week's \$1.6 billion worth of issues is just the beginning of an avalanche...

Where it will be placed remains to be seen. Japan reported last week that foreign investors have again become net sellers of Japanese stocks...

These developments may end the decline in coupons on bonds that carry warrants to buy shares. Coupons have fallen to 3% percent and lifted the effective premium on the warrants to around 24 percent.

Dealers reported no demand for bonds denominated in European currency units, but issuance was

to return to the markets for more such financing, but the October stock market collapse and subsequent unrest prevented that.

INTERNATIONAL CREDIT. in time for its annual report in June.

Courage Pub, a new company jointly owned by Elders and Hindson Conway, an Australian property company...

The loan is divided into a \$660 million, five-year senior secured credit and a \$215 million, seven-year junior debt...

The interest charge on the seven-year loan is 1/2 point over Libor. This can drop to 1/4 point if the ratio

of total secured debt-to-assets falls to 60 percent.

The ratio, currently 66 percent, cannot rise above 66.7 percent, and the coverage for the senior debt, currently 49.8 percent, cannot exceed 50 percent.

The bank loan is being arranged jointly by Citicorp and Credit Suisse First Boston. Fees to banks underwriting \$50 million total 12 1/2 basis points on the five-year credit...

S.G. Warburg is arranging a \$150 million credit facility for Confederation Mortgage Services (U.K.) Ltd., a wholly owned subsidiary of Confederation Life Insurance Co. of Canada...

Another Canadian company, Dominion Textile Inc., is seeking \$100 million for 18 months to finance a takeover of Klopman SpA. Interest is set at 3 3/4 basis points over Libor...

Trans-Austria Gasline Finance Co. is seeking \$75 million for five years, paying 12 1/2 basis points over Libor for the first two years...

is 10 basis points. The drawing cost is 12 1/2 basis points over the interbank rate for French francs and 7 basis points for other currencies.

In the French market, Spie Batignolles, a construction and civil engineering company, is seeking a multi-option facility of \$150 million for five years, extendable to seven years...

Union Laitière Normande is seeking a similar facility of 400 million francs (\$69.31 million). The annual fee is 12 basis points, the drawing charge is 20 basis points over the interbank rate...

The Board of Directors

investors world. GUARANTEED INCOME ON THE STOCK MARKET? Yes. Another first from Investors World, the Monaco-based international financial newsletter that presents world investment opportunities...

U.S. Consumer Rates. Table with columns for Item, Rate, and Date.

Euromarts At a Glance. Table with columns for Country, Code, Euro/Mark, and Rate.

Euromark Yields. Table with columns for U.S. & Int'l, Rate, and Date.

Weekly Sales. Table with columns for Country, Code, Euro/Mark, and Rate.

Libor Rates. Table with columns for Country, Rate, and Date.

Your Oxford Summit. For three days this September, world business and academic leaders will meet at Oxford. You should be among them.

NASDAQ National Market

OTC Consolidated trading for week ended Friday.

Sales In	100s	High	Low	Close	Chg/Pct
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)

Sales In	100s	High	Low	Close	Chg/Pct
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)

Centel to Buy Cellular Phone Unit

By Calvin Sims
New York Times Service

NEW YORK — Centel Corp. has announced that it plans to buy the cellular telephone and paging division of United Telecommunications Inc. for \$763 million, a deal that analysts said could reduce Centel's attraction as a takeover target.

Chicago-based Centel is facing a threatened proxy fight at its annual meeting in June. An investment group led by Asher B. Edelman, a New York-based financier, and Metro Mobile CTS Inc. has said it plans to seek three seats on Centel's 11-member board of directors.

Under an agreement announced Friday, Centel is to acquire United Telecommunications Inc., which has cellular mobile telephone operations in 19 metropolitan areas and paging systems in 29 markets. The purchase would make Centel the 10th largest cellular and paging operator in the United States.

CRIME: Too Much Zeal?

(Continued from first finance page)

rate raiders can circumvent the federal requirement that anyone owning 5 percent of a company's stock disclose such holdings.

Until recently, this practice was generally treated as a civil violation and punished by a fine or an injunction. Lately, the government has treated stock parking as a criminal matter.

"Parking is a good example of overcriminalization," said Gary P. Nafalis, a lawyer with the New York firm of Kramer, Levin, Nesken, Kamin & Frankel. "A lot of that would not have been the subject of criminal prosecution a few years ago."

While some lawyers faulted the SEC and the Justice Department, others blamed pressure from Congress for what they see as excessive prosecutorial zeal.

"When I look at the actual prosecutions, I don't see any indication of overcriminalization," said Richard S. Phillips, a lawyer specializing in securities issues in the Washington office of Kirkpatrick & Lockhart, a Pittsburgh firm.

Maxwell Controls Print Firm

Reuters

LONDON — The British publisher Robert Maxwell said Sunday that his Maxwell Communication Corp. had acquired majority control of a French printing firm, François Imprimerie.

Mr. Maxwell said that an all-cash transaction gave his group 67 percent of the capital of the privately held company, the remaining 33 percent being retained by the François family, which will continue to manage it.

No further details were available.

François Imprimerie prints sections of magazines such as *Tele 7 Jours*, a French television program journal, *Paris Match* and *Mr. Maxwell's Sunday Mirror Magazine*. It also prints mail order catalogues.

In the past year, Mr. Maxwell has spent more than \$300 million (\$356 million) on acquisitions and set aside \$230 million to invest in printing.

BOEING: After 10 Years, the Fuel-Efficient 757 Is Finally Taking Off

(Continued from page 1)

attle-based Boeing's share price to \$33.875 at Friday's close on the New York Stock Exchange on \$49.75 on May 14.

A 757, a midsize, twin-engine aircraft, can cost \$40 million to \$48 million depending on the configuration and options chosen. The latest orders bring to 359 the number of 757s that Boeing has sold.

Both American and United said the 757s will replace older, less-fuel-efficient aircraft: Boeing's three-engine 727 is American's case, and McDonnell Douglas Corp.'s four-engine DC-8-71 at United.

Analysts said the purchases also reflected other fundamental concerns of the airlines, which are facing strong traffic growth with a limited number of passenger gates available at airports. The solution is to fly bigger planes.

The 757, which Boeing contends is the quietest commercial jet in service, can also help airlines deal with the increasingly strict noise limits that airports are imposing.

"For a long time, Boeing has been telling us that the 757 is going to be the 737 of the future—now it looks like they may be right," said Thomas Lloyd-Butler, an analyst with Montgomery Securities, referring to Boeing's most popular airplane.

For Boeing, the 757 orders are a welcome change from some troubling recent episodes. In April, the Federal Aviation Administration ordered that all 593 of the 747-300s in service be examined for defects that could lead to fire in the cargo area. That regulatory action followed complaints from Japan Air Lines and British Airways, Boeing's largest customers.

In mid-May, a new 737 operated by a Salvadoran airline was forced to land when both engines failed. And the in-flight rupture of the fuselage of a 19-year-old Aloha Airlines 737 last month has raised questions about the longevity of jet aircraft.

On Thursday, the FAA proposed "airworthiness directives" for the 737 intended to solve long-term maintenance solutions to air structural problems. Boeing has built 1,562 of the planes and the proposed maintenance rules cover the first 464 of them produced.

Mr. Thornton said the Aloha incident was an aberration that occurred in a plane that had been heavily used in the corrosive salt air of the Hawaiian islands. He acknowledged that the aging of airline fleets was a factor in the new orders for the 757, but he said the orders reflected economic rather than safety concerns.

Long the mainstay of short-to-medium-distance jet travel, Boeing's three-engine 727 is now considered inefficient because of high fuel consumption and the need for a three-member flight crew. Mr. Thornton said. In contrast, the 757 burns 23 percent less fuel, requires only two crew members and can carry up to 225 passengers, 50 more than the largest version of the 727.

These advantages were all evident in the late 1970s, when Boeing introduced the 757, but sales then were sluggish.

Lower fuel prices in the early 1980s made its fuel efficiency less relevant, and deregulation created a new system of hub-and-spoke air routes better served by smaller, not larger, airplanes. Sales of 757s stagnated while its smaller, less sophis-

Save 40%

or more off your newsstand price when you subscribe for 12 months to the International Herald Tribune.

The longer you subscribe the more you save.

We'll give you 13 extra issues for each three months you subscribe. That's 26 extra issues for six months — or — 52 extra issues for a twelve-month subscription. Total savings: Up to 40% or more in most European countries.

INTERNATIONAL HERALD TRIBUNE

To: Subscription Manager, International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92221 Neuilly Cedex, France.

Please check the subscription term you desire:

52 extra issues with a 12-month subscription (364 issues in all)

26 extra issues with a 6-month subscription (182 issues in all)

13 extra issues with a 3-month subscription (91 issues in all)

My check is enclosed

Please charge my:

Access Amex Diners Club Eurocard Mastercard Visa

Signature _____

Card expiry date _____

Card account number _____

Name _____

Address _____

City _____ Country _____

Tel. _____ Telex _____

30-5-88

Sales In	100s	High	Low	Close	Chg/Pct
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)

Sales In	100s	High	Low	Close	Chg/Pct
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)

Sales In	100s	High	Low	Close	Chg/Pct
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)
Amgen	10	100.00	98.00	98.00	-2.00 (-2.0%)

American Exchange Options

Figures as of close of trading Friday, May 27

Option & price	Calls	Puts	Option & price	Calls	Puts
AMR	25 1/2	3 1/2	AMR	25 1/2	3 1/2
AT&T	25 1/2	3 1/2	AT&T	25 1/2	3 1/2
BA	25 1/2	3 1/2	BA	25 1/2	3 1/2

Chicago Exchange Options

Figures as of close of trading Friday, May 27

Option & price	Calls	Puts	Option & price	Calls	Puts
AMR	25 1/2	3 1/2	AMR	25 1/2	3 1/2
AT&T	25 1/2	3 1/2	AT&T	25 1/2	3 1/2
BA	25 1/2	3 1/2	BA	25 1/2	3 1/2

ESORTS & GUIDES

INTERNATIONAL ESCORT SERVICE

Head office in New York
330 W 56 St, NYC 10019 US

212-765-7896
212-765-7754

MAJOR CREDIT CARDS AND CHECKS ACCEPTED

AMBIANCE ESCORT SERVICE OF NEW YORK
212-889-7300

24 HOUR SERVICE
MAJOR CREDIT CARDS & CHECKS ACCEPTED

ESORTS FOR EVERY OCCASION

LONDON KENSINGTON
ESCORT SERVICE
10 KENSINGTON CHURCH ST, W8
TEL: 027 9126 OR 927 9126
ALL major credit cards accepted.

INTERNATIONAL CLASSIFIED
(Continued from Back Page)

ESORTS & GUIDES

AMSTERDAM JASMIN Escort Service, Tel: 020-604887, the best in Europe. Credit cards accepted.

AMSTERDAM ELA MORE Escort Service, Tel: 020-602294, the best in Europe. Credit cards accepted.

FRANKFURT BEST CONNECTION Escort Service, Phone: 069-54 48 73 or 54 48 74.

LONDON EXECUTIVE Connection Escort Service, 11am - midnight, Tel: 0800-344629.

BRUSSELS ***** ANNI ***** Escort Service, Multi-lang. Tel: 02-733 88 47. Credit cards accepted.

FRANKFURT - WIESBADEN ***** (069 49740) NEW LADY ESCORT & TRAVEL SERVICE.

LONDON ***** LONDON ***** New German Escort and Travel Service, Tel: 01-497 4220.

MILAN EXCLUSIVE MULTILINGUAL Escort Service, Tel: 02-58077, Credit cards accepted.

BRNO - SWEDISH HIGH CLASS ESCORT SERVICE, Tel: 589-8015 London.

FRANKFURT "TOP TEN" ESCORT SERVICE Open 9:30am - 11:30pm, 7 DAYS A WEEK FROM 3PM.

LONDON CLASSIC MALE or Female Escort Service, Multi-lang. Tel: 01-270 6524 or 020 7194.

AMSTERDAM APOLLONIUS Escort Service, Tel: 020 766176 from 2pm. 76, Apollonius Amsterdam.

AMSTERDAM S.H.E. ESCORT and Guide Service, Male and female, Tel: (020) 2657701.

BLOEMING ESCORT SERVICE ***** European & Far Eastern ***** Multi-lang. London 773 8667.

GENEVA DANNY BOW ***** Escort and Guide Agency. Tel: 022-733 68 47, Credit cards accepted.

MUNICH ***** 01 23 14 ***** ESCORT AND GUIDE AGENCY. Tel: All major credit cards accepted.

VIENNA Evelyn First Class Escort Service, Tel: 73 56 70.

ESORTS & GUIDES

LONDON
Portman Escort Agency
67 Chiltern Street,
London W1
Tel: 489 7746 or 486 1158
All major credit cards accepted

REGENCY
WORLD CLASS ESCORT SERVICE
NEW YORK & LONDON
Tel: 212-838-8027 USA

ARISTOCATS
London Escort Service
3 Shafton Street, London W1,
All major Credit Cards Accepted
Tel: 01 226 0090 (9 lines)
12 noon - midnight

LONDON BELGRAVIA
Escort Service,
Tel: 736 5877.

MAYFAIR CLUB
ESCORT SERVICE from 5pm
BOTTINGERS (01) 484 8555
THE HAGUE (01) 70-60 79 96

ZURICH
NATALIE
ESCORT AND GUIDE
SERVICE
TEL: 077 61 46 52.

SHADOWS *****
ESCORT SERVICE,
Tel: Madrid 341-7676536.

صكنا من الأصل

WORLD

great industrial

have been u

sources, invest

experience. Over

WORKING TOGETHER FOR THE FUTURE.

WEBER

SOLEX

JAEGER

VEGLIA BORLETTI

CAVIS

CARELLO

SIEM

**Borletti
CLIMATIZZAZIONE**



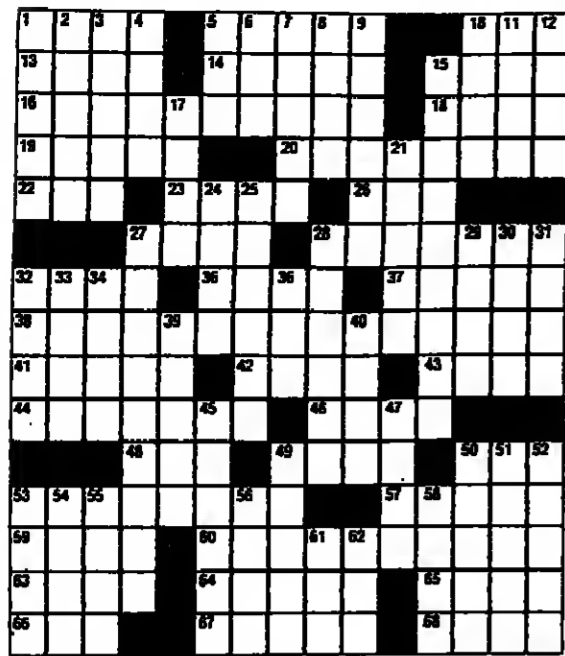
MAGNETI MARELLI

A great industrial group has been established: Magneti Marelli. A number of companies have been united to consolidate their resources, investments, projects, people and experience. Over 2000 people in Italy, France,

UK, United States and Brazil are now dedicated to research and development. Magneti Marelli firmly believes that the key to the future lies in high-tech electronic systems, together with dedicated hardware and sophisti-

cated software. The coordinated investments in innovation and technologies, 16% of sales, enable Magneti Marelli to meet the increasing demand of future automotive applications where integrated systems will be employed.

Vertical text on the left margin, including a small table with columns labeled 'High', 'Low', 'Close', 'Open' and various numerical data points.



ACROSS
1 Harvest
5 Macaroni, e.g.
10 Parma or lynx
13 To exist, in Paris
14 Surface related
15 Chinese desert
16 Chinese eating utensils
18 Garment for lounging
19 Fabliest
20 A textile worker
21 Before: Prefix
23 Items colored on Easter
24 Auditor, for short
27 Bare
28 Is irate
32 Writer
33 Poker stake
37 Cognizant
38 China 4686 (U.S.A. 1988)
41 Pass a law
42 The Eternal City
43 Roster
44 Girl in 'The Wizard of Oz'
46 Nobleman
48 — Dee, river in the Carolinas
49 Novelist
50 Guido's highest note

MONDAY SPORTS

SIDELINES

Australia and New Zealand Rugby Victors

BRISBANE, Australia (AFP) — England lost Sunday to Australia, 22-16, a day after Wales was routed by New Zealand, 52-3, in rugby test matches. In Brisbane, Australian wing Ian Williams scored a try and flyhalf Michael Lynagh kicked six penalty goals. Tries by wings Rory Underwood and John Bentley, both scored on long runs from interceptions, plus a conversion and the first of two penalty goals by fullback Jonathan Webb, kept England level at 13-13 in the first half. On Saturday in Christchurch, New Zealand, the All Blacks scored 10 tries—four by wing John Kirwan—and converted six, while Mark Ring kicked a penalty goal for Wales. It was the worst defeat ever for Wales.

Irwin Keeps One-Stroke Lead in U.S. Golf

DUBLIN, Ohio (UPI) — Hale Irwin, re-establishing mastery of the Muirfield Village course, shot four-under-par 68 on Saturday to retain the lead after three rounds of the Memorial Tournament. Irwin, with a 10-under-par 206, was a stroke ahead of David Frost of South Africa and Curtis Strange, who, along with Scott Hoch, equaled the course record with a 64. Frost had a third-round 68. Irwin, the 1983 and 1985 winner here and hoping to become the first three-time winner, began the third round with a one-stroke lead after a 68 on Friday, when he had started two shots behind the first-round co-leaders, John Mahaffey and Peter Jacobsen.

Pay the Butler Wins U.S. Debut at Belmont

BELMONT, New York (NYT) — Pay the Butler, who had won just two of 17 starts against second-rate competition in Europe, stormed down the stretch to win the Red Smith Handicap by a neck Saturday at Belmont Park. The winner, considered one of the three weakest entries in the race, was making his U.S. debut for trainer Bobby Frankel. Equalize was second, 2 1/2 lengths in front of Yankee Affair. Pay the Butler ran the mile and a quarter (two kilometers) in 2:01 2/5 under Robbie Davis.

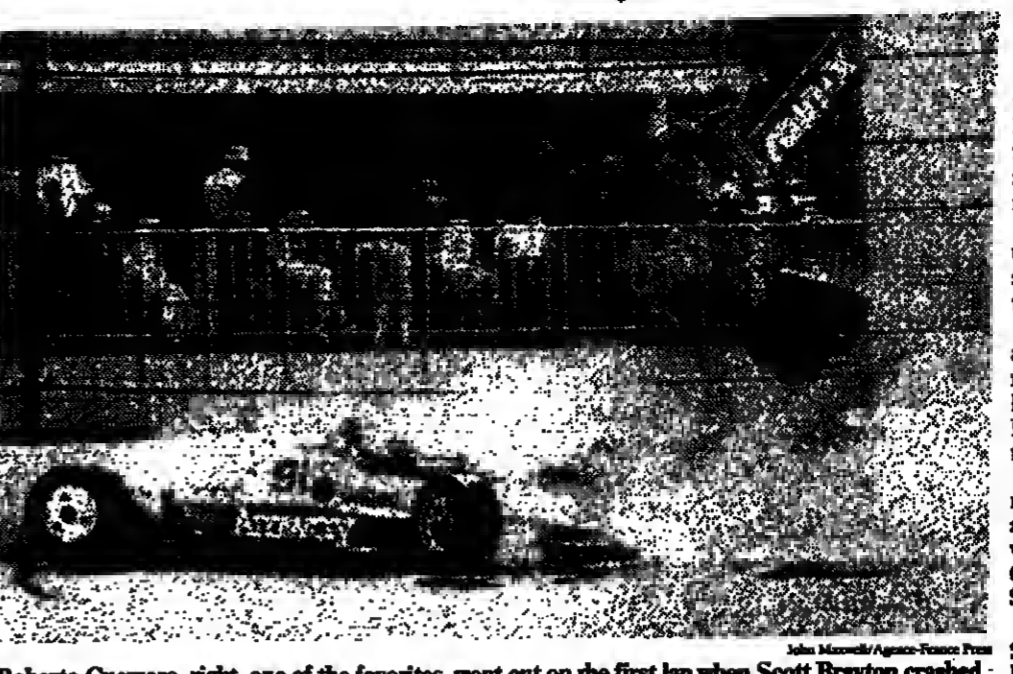
For the Record

Daniel Zaragoza of Mexico retained his WBC super bantamweight title after a draw Sunday with Lee Seung-Hoon in South Korea. B.J. McCombs, president of the San Antonio Spurs, whose family had a 35 percent interest in the NBA team, bought the club outright Friday for \$47 million.

Quotable

Stan Musial, on his front-office job with the St. Louis Cardinals: "I have a darn good job with the Cardinals, but please don't ask me what I do." (LAT)

Mears Wins 3d Indy 500 Amid Crashes



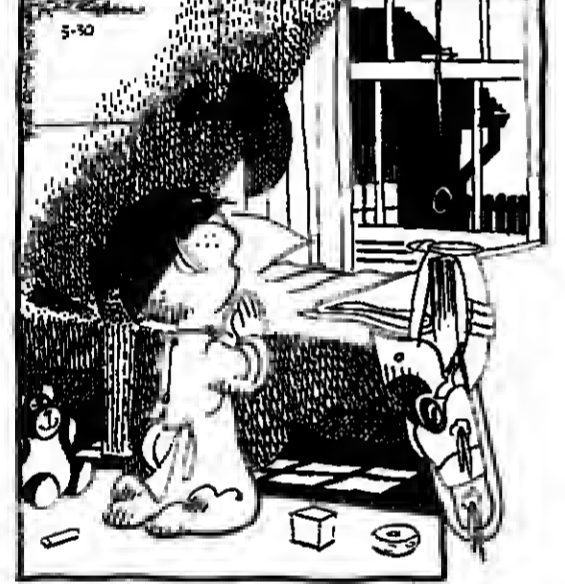
Roberto Guerrero, right, one of the favorites, went out on the first lap when Scott Brayton crashed.

INDIANAPOLIS — Right Mears, gaining about one second per lap in the final 50 miles (80 kilometers), won his third Indianapolis 500 on Sunday in a race slowed by numerous crashes and a record 14 yellow caution lights. Mears took the checkered flag under the yellow after a piece of the sidepod blew off Michael Andretti's car with three laps to go. Jim Crawford finished second after Emerson Fittipaldi, who was running second, was penalized two laps for passing under the yellow. Four-time winner Al Unser, Mears' teammate, was third. Some of the biggest names in auto racing went out during the crash, among them A.J. Foyt, Danny Sullivan, Johnny Rutherford, Roberto Guerrero, Topy Bettenhausen, Tom Sneva and Teo Fabi. Guerrero and Scott Brayton crashed on the first lap. Then things got even messier. There were nine crashes before lap 110, the most serious involving Steve Chassey, whose car slammed into the wall between the third and fourth turn. Sneva crashed as he entered pit row. Fabi crashed as he tried to leave. Rich Vogler crashed in the third turn under a caution light as the race drew to a close. The yellow had come on because Vogler, just a moment earlier, had brushed the wall. Chassey appeared to be unconscious immediately after his crash. He was taken from the speedway's infield hospital to Methodist Hospital in downtown Indianapolis. Drivers and crews blamed a slick track for the number of crashes. Indianapolis had not had a hard rain in weeks, which allowed oil and dirt to accumulate on the track surface. Sunday was also very hot, which prevented racing tires from getting a good grip on the track.

Soccer, English-Fashion, at Chelsea

LONDON — England's national soccer team, with Gary Lineker scoring his 26th goal in 32 international matches, completed its warmups for next month's European championship with a relatively violence-free 1-0 victory Saturday in Lansanne, Switzerland. But in West London that day, the country's image took another beating as scores of Chelsea fans invaded the pitch and stoned supporters of visiting Middlesbrough after Chelsea was relegated from the first division. As the 10,000 Middlesbrough fans in the capacity crowd of 40,000 began hailing their heroes at the end of a tense game, which returned Middlesbrough to the top flight of English soccer for the first time since 1982, they were almost immediately attacked by Chelsea backers. Bottles and stones were thrown, a police officer had to be taken away on a stretcher and ambulances called to take away the injured were hit by a hail of missiles. Witnesses even reported seeing official Chelsea stewards beating two Middlesbrough supporters. First police reports said that 34 persons had been arrested. Throughout the week, the British media had been focusing on the likely consequences of trouble that might be created by the 500 English fans attending the match in Lansanne. But on entering the stadium there, they were forced to hand over alcoholic drinks and other dangerous objects, then were segregated from the Swiss in a standing-room only section of the stadium. Where dozens of police officers mingled with the crowd. Another 100 policemen were deployed outside in case of postmatch trouble. In the event, there were no reports of violence at that match, although police later reported that two Britons had been taken to a hospital early Sunday and that 14 others had been detained for fighting after the match. The contest was watched by officials of the Union of European Football Associations, which banned English clubs from European competition following the 1985 Champions Cup final in Brussels. Thirty-nine spectators were killed there during a riot by Liverpool fans.

DENNIS THE MENACE



'PLEASE GOD...BLESS AMERICA...AND MR. WILSON SAYS YOU'D BETTER HURRY.'

JUMBLE

A word game section with a grid of letters and instructions. The grid contains letters like R, A, L, A, V, F, O, T, O, A, K, O, E, C, I, O, C, E, L, F, I, K. Instructions include: 'Unscramble these four Jumbles, one letter to each square, to form four ordinary words.' and 'Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.'

WEATHER

A weather forecast table with columns for Europe, Middle East, Asia, Africa, Latin America, and North America. It lists various cities and their weather conditions and temperatures.

PEANUTS



BLONDIE



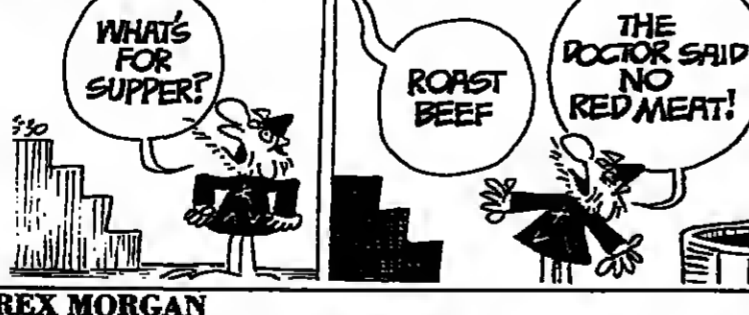
BEEBLE BAILEY



ANDY CAPP



WIZARD OF ID



REX MORGAN



GARFIELD



WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam
Amsterdam stock prices managed a modest gain last week, despite a paucity of encouraging news, analysts said. The ANP-CBS general index rose to 242.0, up from 240.7 the previous Friday. The exchange was closed for a holiday on Monday. Analysts said the market was moderately buoyant late in the week. News of possible cooperation in the paper industry between KNP and VRG and excellent first-quarter results of insurance companies brought higher prices in both sectors. Volume was 4.176 billion guilders, down from 7.130 billion in the previous week. With inflation fears present and no important economic data due, some analysts said there was no reason for any significant upward move.

Paris
Stocks rose in Paris, despite impending elections expected to give the Socialist Party control of the National Assembly. Prices advanced every day during the four-day trading week to bring the CAC index to 324.3, up from 310.9 the previous Friday. Analysts said the market was not frightened by the prospect of a Socialist victory in the two-round June legislative elections because the party is expected to continue the previous government's emphasis on austerity. The major expected change would be a halt to privatization. The Bourse welcomed a quarter-point drop in French interest rates, made possible by the franc's firmness. Analysts said French issues should continue to enjoy foreign favor, as their prices are among the cheapest in the world, while French companies posted good earnings in 1987 and have favorable prospects for this year.

Frankfurt
Frankfurt shares overcame some initial hesitation caused by higher U.S. interest rates and posted gains in the four-day trading week. The Commerzbank index gained 25.2 points to finish the week at 1,352.6. Analysts said there had been some small-scale foreign buying, ending a long period during which overseas investors had adopted a cautious attitude. A Siemens announcement that it expects sharply higher profits for the current fiscal year boosted the issue 20.30 Deutsche marks to 354.50, while AEG gained 1.20 to 209. Chemicals were higher, with BASF gaining 5 to 248 and Bayer rising 7.10 to 268.70. Among pharmaceuticals, Schering rose 7 to 481. Auto and banking issues were mixed. Volume on the eight West German stock exchanges totaled 8.65 billion DM, down from 11.57 billion the previous week.

Hong Kong
Prices on the Hong Kong Stock Exchange posted modest gains in a week of lackluster trading with the Hang Seng Index rising above the psychologically important 2,500 mark. The key market indicator moved up 22.46 points on the week to close at 2,513.70 Friday, while the broader-based Hong Kong Index added 17.30 points to end at 1,662.82. After a decline on Monday, dealers said, bargain-hunting by foreign investors led to a strong advance on Tuesday, which was followed by a modest gain on Wednesday. But prices fell on Thursday and Friday, and dealers blamed the lethargic trading on confusion about overseas market trends. They said the dull mood was likely to spill over into the new week. Average daily volume was 672.8 million Hong Kong dollars, up from 653.4 million the previous week.

London
Stock prices were higher, as measured by the main indexes, with the market dominated by events in the food sector, particularly among candy makers. The Financial Times 100-share index moved 13.5 points higher to end at 1,783.7, while the 30-share industrial gauge rose 14.8 points to finish the week at 1,430. An announcement on Tuesday that Nestlé had raised its stake in Rowntree to 16 percent benefited the entire food sector. Rowntree's shares rocketed 7 percent when Lord Young, the trade and industry secretary, cleared Nestlé's £2.1 billion (\$3.9 billion) takeover bid the next day, pulling the whole sector higher. Cadbury also gained when General Cinema of the United States raised its stake in the candy and beverages company. Encouraging results from several British companies, such as BAT and Courtauld, aided sentiment. Late in the week, however, many issues edged lower. But the market was not severely affected by a Friday announcement of a deterioration in the current account deficit for April.

Milan
Milan had its third straight losing week, as the Comit index dropped to 465.66 from 471.48 the previous week, and the MIB index lost 1.2 percent on the week, falling to 963 from 975, to wind up 3.7 percent lower from the year's start. Gloom was heightened by end-of-month settlement activity, although the market was boosted briefly by announcement of the ENI-Montedison agreement in the chemical field. Montedison was one of the few shares to rise on the week by 3.4 percent. A number of popular shares hit their low for

IONS Get Lead on Celtics

Each... Celtics... Boston... playoffs...

PLAYOFFS

Each... Celtics... Boston... playoffs...

Mavericks I

Each... Mavericks... playoffs...

SCOREBOARD

A scoreboard table listing various sports events, teams, and scores.

RESULTS

A table listing sports results for various events.

TOKYO

Prices dropped on the Tokyo Stock Exchange...

ZURICH

Zurich stocks were mixed, with the Credit Suisse index rising to 437.4 from 436.6 the previous Friday...

MILAN

Milan had its third straight losing week, as the Comit index dropped to 465.66 from 471.48 the previous week...

MONDAY SPORTS

Navratilova, Edberg Join Upsets

By Robin Herman
New York Times Service

PARIS — Martina Navratilova denied Sunday that her over-30 generation was through, but she had left the French Open to the teenagers by losing 6-3, 7-6 (7-5), to 17-year-old Natalia Zvereva of the Soviet Union.



Navratilova, Edberg join upsets.

Navratilova's was just one of several upsets on a day that saw the continuing success of the Sanchez family from Spain, whose Emilio ousted French favorite Yannick Noah after his younger sister, Arantxa, 16, had defeated Catherine Tanvier of France.

With hindsight, Navratilova said of her opponent, "I just didn't take her seriously enough. I beat her 6-2, 6-1 twice in the last year. I guess I wasn't as fired up as I should have been for the match and by the time I got fired up it was too late."

Pistons Get 2-1 Lead on Cold Celtics

By Michael Wilton
Washington Post Service
PONTIAC, Michigan — Each time the Boston Celtics managed to put out one brush fire Saturday, another broke out. By time they had cooled off Joe Dumars of the Detroit Pistons, Isiah Thomas was the rage. By the time Thomas was stopped, James Edwards, then Vince Johnson, had taken charge.

The result was a 98-94 victory for the Pistons, and a 2-1 lead in the National Basketball Association's best-of-seven Eastern Conference title series. The fourth game is set for the Silverdome on Monday.



The Celtics' Danny Ainge stopped Isiah Thomas in the first quarter, by grabbing his jersey, but that was about the only time the Pistons were halted en route to a 98-94 victory in the Eastern Conference.

Dumars, who led the Pistons with 29 points, got 13 in the first quarter. He and Thomas, who finished with 23, helped their team to an eight-point lead at halftime, then supported Edwards late in the third period when the Pistons took command.

Mavericks Rebound Against Lakers

By Anthony Cotton
Washington Post Service

DALLAS — Finally playing like the multifaceted team they are purported to be, the Dallas Mavericks beat the Los Angeles Lakers, 106-94, in Friday night's third game of the Western Conference final.

They slowed the Lakers' fast break with a 52-33 edge in rebounds, of which 25 were on offense. They scored 25 points from the offensive rebound, which enabled them to take 15 more shots than the Lakers and helped make up for making only 45 percent of their shots.

"Offensive rebounding is a state of mind," said the Lakers' assistant coach, Bill Bertka, "and their state of mind was that they were going to get the basketball."

SCOREBOARD

TENNIS

French Open Results
MENS SINGLES
John Carlsson (7), Sweden, def. Mortin Johal, Argentina, 6-3, 6-1; Andrei Chiriac (14), Sweden, def. Eduardo Bengtsson (16), Sweden, 6-3, 6-1; Andrei Chiriac (14), Sweden, def. Eduardo Bengtsson (16), Sweden, 6-3, 6-1; Andrei Chiriac (14), Sweden, def. Eduardo Bengtsson (16), Sweden, 6-3, 6-1.

BASKETBALL

National Basketball Association Playoffs
FRIDAY'S RESULTS
Western Conference Final
L.A. Lakers 98 35 23 18-24
Dallas 94 30 23 15-16
Los Angeles 106 31 23 17-11
Phoenix 94 31 23 17-11
Houston 94 31 23 17-11
San Antonio 94 31 23 17-11
Portland 94 31 23 17-11
Utah 94 31 23 17-11
Denver 94 31 23 17-11
Minnesota 94 31 23 17-11
New York 94 31 23 17-11
Boston 94 31 23 17-11
Detroit 94 31 23 17-11
Cleveland 94 31 23 17-11
Philadelphia 94 31 23 17-11
Washington 94 31 23 17-11
Chicago 94 31 23 17-11
Indiana 94 31 23 17-11
Milwaukee 94 31 23 17-11
Atlanta 94 31 23 17-11
Charlotte 94 31 23 17-11
New Orleans 94 31 23 17-11
Orlando 94 31 23 17-11
Miami 94 31 23 17-11
Columbus 94 31 23 17-11
Memphis 94 31 23 17-11
San Diego 94 31 23 17-11
Golden State 94 31 23 17-11
Sacramento 94 31 23 17-11
Seattle 94 31 23 17-11
Portland Trail Blazers 94 31 23 17-11
Phoenix Suns 94 31 23 17-11
Dallas Mavericks 106 31 23 17-11
Los Angeles Lakers 94 31 23 17-11

BASEBALL

Friday's and Saturday's Major League Line Scores
FRIDAY'S RESULTS
AMERICAN LEAGUE
Boston 7, Detroit 5
Chicago 4, Cleveland 3
Detroit 7, Kansas City 3
Houston 6, Minnesota 5
Los Angeles 4, Milwaukee 3
New York 3, Philadelphia 2
Seattle 3, Toronto 2
Texas 3, California 2
Washington 3, Oakland 2
Western League
Colorado 3, Denver 2
Houston 6, Minnesota 5
Los Angeles 4, Milwaukee 3
New York 3, Philadelphia 2
Seattle 3, Toronto 2
Texas 3, California 2
Washington 3, Oakland 2
FRIDAY'S RESULTS
NATIONAL LEAGUE
Atlanta 6, Cincinnati 5
Baltimore 3, Montreal 2
Cincinnati 6, Cleveland 5
Cleveland 3, Houston 2
Houston 6, Milwaukee 5
Los Angeles 4, Montreal 3
New York 3, Philadelphia 2
Seattle 3, Toronto 2
Texas 3, California 2
Washington 3, Oakland 2

Piniella Quits As Yankee GM; Bowls Is Fired

The Associated Press
NEW YORK — Lou Piniella said Sunday he had resigned as general manager of the New York Yankees, giving as one reason friction with the team's manager, Billy Martin.

5-Run Surge in 7th Lifts Padres Over Mets, 6-3

The Associated Press
NEW YORK — Keith Moreland's run-scoring double sparked a five-run seventh inning that broke a scoreless tie Sunday as the San Diego Padres defeated the New York Mets, 6-3.

WOMEN'S SINGLES

Staff Great (1), West Germany, def. Nathalie Tauziat (2), France, 6-3, 6-1; Staff Great (1), West Germany, def. Nathalie Tauziat (2), France, 6-3, 6-1; Staff Great (1), West Germany, def. Nathalie Tauziat (2), France, 6-3, 6-1.

SOCCER

English First Division
Manchester United 1, Nottingham Forest 2
Everton 2, Queens Park Rangers 0
Aston Villa 1, Ipswich Town 1
Sheff Wed 2, Sheff Wed 2
Southampton 1, Tottenham 0
Derby 1, West Ham 1
Preston 1, Reading 1
Sheff Wed 2, Sheff Wed 2
Sheff Wed 2, Sheff Wed 2
Sheff Wed 2, Sheff Wed 2

WEST GERMAN FA CUP FINAL

Eintracht Frankfurt 1, VfR Bochum 0
SAN FRANCISCO — Activated Dave Dravecky, pitcher, from 21-day disabled list. Re-called Mark Wagner, infielder, from Phoenix. Called Mark Wagner, infielder, from Phoenix. Called Mark Wagner, infielder, from Phoenix.

No-Hitter Eludes Jones In 9th but Brewers Win

United Press International
CLEVELAND — Oded Jones, a 35-year-old journeyman making his first major-league start since 1961, did not allow a hit for 8 1/2 innings Saturday night as he pitched the Milwaukee Brewers to a 2-0 victory over the Cleveland Indians.

SATURDAY BASEBALL

Other pinch-hitter, Ron Washington, singled to right on a 1-1 pitch to end the no-hitter. Julio Franco then extended his hitting streak to 16 games with a single off reliever Dan Fiesac.

AUTO RACING

Indy 500 Results
(CA Indianapolis)
Unofficial statistics show the 22nd Indianapolis 500, Sunday, started in the rain, but cleared to sunny conditions in the 10th lap. The race was green-flagged at 1:15 p.m. and ran for 200 laps.

TRANSITION

BASEBALL
CALIFORNIA — Activated Dave Dravecky, pitcher, from 21-day disabled list. Re-called Mark Wagner, infielder, from Phoenix. Called Mark Wagner, infielder, from Phoenix.

Major League Standings

Table with columns for American League and National League, listing teams, wins, losses, and percentages.

SEIKO OFFICIAL TIMER Jun. 10-25 more days to the kickoff.

Vertical text on the left edge of the page, including 'LFS', 'len Margin', 'ed Captives', 'assembly', 'in Colombia', 'ate Allegation', 'udget Tourism', 'en Rebellion', 'most', 'AUTO RACING', 'INDY 500 Results', 'TRANSITION', 'BASEBALL', 'CALIFORNIA', 'Major League Standings', 'WEST GERMAN FA CUP FINAL', 'SOCCER', 'WOMEN'S SINGLES', 'SCOREBOARD', 'BASEBALL', 'TENNIS', 'French Open Results'.

